

Trust Pack

A guide to the stages involved

New Policy Applications

Stage 1

The Donor completes a Friends Provident International Limited Application Form for the product required.

Checklist

- The Applicant is the Donor.
- Signed investment instructions must be given and a Personal Charging Structure obtained.
- **Important:** Each Donor must provide us with a certified copy of his or her passport or national identity card together with an original or certified copy of a utility bill (or bank statement, or employer's letter) verifying their residential address.

Stage 2

The Donor completes the Absolute Gift Trust – Trust Deed (page 3)

Checklist

- The Donor may or may not be included as a Trustee.
- **The Trust Deed must be left undated.**
- The Donor(s) and all Trustees must sign the document in the presence of an independent witness, who must also sign.
- **Important:** Each Trustee must provide us with a certified copy of his or her passport or national identity card together with an original or certified copy of a utility bill (or bank statement, or employer's letter) verifying their residential address.

Stage 3

After completion, **ALL** the following items must be forwarded to Friends Provident International Limited:

- Investment Bond Application form.
- Personal Charges Structure Illustration.
- Method of payment details.
- Absolute Gift Trust – Trust Deed (page 3).
- A certified copy of a passport or national identity card in respect of the Donor(s) and each Trustee, together with an original or certified copy of a utility bill (or bank statement, or employer's letter) from the Donor(s) and each Trustee verifying their residential address.

Stage 4

When Friends Provident International Limited receives the premium, it is invested according to the Donor's investment instructions and the policy is issued.

IMPORTANT: The following steps take place at least one business day after Friends Provident International Limited has issued the policy.

- The Trust Deed will be dated by Friends Provident International Limited.
- Friends Provident International Limited will insert the policy number in clause 1(iv) of the Trust Deed.
- Friends Provident International Limited will assign the policy into trust.

Declaration of trust

DATE OF TRUST

This is the date the Trust is to come into effect. For new applications, leave this blank – the date will be entered by Friends Provident International Limited. For existing Policies, please date.

THE DONOR(S)

The name and address of the Donor (or both Donors) should be inserted here.

TRUSTEES

The Donor(s) is/are automatically included as a Trustee unless the appropriate deletion is made here* – if the Donor(s) is/are not to be a Trustee, please delete "THE DONOR and". The name and address of the additional Trustees should be inserted here. Please note proof of identity will be required for all Trustees, i.e. passport, plus confirmation of each Trustee's residential address, i.e. utility bill.

POLICY NUMBER

For new applications, leave this blank – to be completed by Friends Provident International Limited. For existing Policies, please insert the Policy number.

THIS TRUST is made on the day of 20

BETWEEN

of
and
of

(hereinafter called "the Donor" or where there are two persons "the Donors") of the one part and

THE DONOR and*

of
and
of
and
of

("the Trustees") of the second part

Whereas the Donor is the absolute beneficial owner of the Policies

(Policy number)

and the Donor being desirous of transferring the Policies into trust hereby declares that from the date first before written the Trust Fund shall be held by the Trustees together as Trustees of the Trust set out on the next page.

Declaration of trust (continued)

NOW THIS DEED WITNESSETH AS FOLLOWS:

1 Definitions

In this Trust unless the context otherwise provides the masculine shall include the feminine and the singular the plural and vice versa and the following expressions shall have the following meanings:

- (i) **“Trustees”** means the Donor and the Trustees named above or other Trustee or Trustees for the time being hereof.
- (ii) **“Beneficiaries”** means the persons named below:

FULL NAME(S) OF BENEFICIARY(IES) (in block capitals)

Name

Date of Birth

Address

Share %

Name

Date of Birth

Address

Share %

Name

Date of Birth

Address

Share %

Name

Date of Birth

Address

Share %

- (iii) **“Company”** means Friends Provident International Limited.

- (iv) **“Policies”** means Policy Number

- (v) **“Policy”** means any life assurance contract for the time being held by the Trustees upon the trusts and subject to the powers and provisions of this Trust.

BENEFICIARIES

Enter the name(s) of the people who will receive the benefit, and the relevant percentages. **Do not leave this blank.**

POLICY NUMBER

For new applications, leave this blank – to be completed by Friends Provident International Limited. For existing Policies, please insert the Policy number.

Declaration of trust (continued)

1 Definitions (continued)

- (vi) **“Trust Fund”** means any property transferred to the Trustees as aforesaid and the full benefit thereof and all other property at any time held by the Trustees upon the trusts and subject to the powers and provisions hereof whether by way of further settlement accumulation of income capital accretion or otherwise and all property from time to time representing the foregoing respectively.
- (vii) For the avoidance of doubt the age of majority in this Trust is age 18.

The Donor hereby assigns the Policies the full benefit thereof and all monies assured thereby to the Trustees to hold for the absolute benefit of the Beneficiaries subject to the trusts and powers and provisions set out below from the date first before written.

2 Trusts and Powers

- (i) The Trustees shall hold the Trust Fund and the income thereof for the absolute benefit of one or more individuals specified in clause 1(ii) above in the percentage share or shares therein specified and if no percentage shares are specified in equal shares absolutely.
- (ii) Section 31 of the Trustee Act 1961 shall not apply to this Trust and whilst any Beneficiary entitled under the Trust is a minor the Trustees shall pay or otherwise apply for or towards his maintenance, education or benefit so much of the income from his share in the Trust as the Trustees may in their absolute discretion think fit and the Trustees shall retain the balance of any income on trust for that Beneficiary absolutely and until he shall attain the age of majority the Trustees shall invest the same and the resulting income therefrom in investments hereby or by law authorised and shall hold the same as an accretion to the said balance Provided Always that so long as the said Beneficiary has not attained the age of majority the Trustees may pay or apply as aforesaid any such balance or accretion as if it were income arising in the then current year.
- (iii) During the minority of the Beneficiary or if there is more than one during the minority of any of the Beneficiaries the Trustees shall have the power to pay transfer or apply the whole or any part or parts of the share of any Beneficiary in the Trust Fund to or for the benefit of that person.
- (iv) The Donor and the Trustees shall have the administrative powers set out in the Appendix hereto.
- (v) **Exclusion of Donor**
Subject to the statutory right of the Donor to recover income tax from the Trustees under section 538 of the Income Tax (Trading and Other Income) Act 2005 of the Parliament of the United Kingdom no discretion or power conferred by this Trust or by law on the Trustees shall be exercised and no provision of this Trust shall operate directly or indirectly so as to cause or permit any part of the Trust Fund or the income thereof to become lent to or in any way paid or payable or applied or applicable for the benefit of the Donor in any way.

3 Further Trusts Provisions

- (i) The statutory power of appointing any new or additional trustees shall be vested in the Donor during his lifetime (who during that period shall also have the power to remove Trustees by deed) and thereafter in the Trustees hereof the said statutory power being modified so that any person or persons may be appointed as Trustee or Trustees hereof notwithstanding that such person or persons may be resident domiciled carrying on a business or incorporated outside the Isle of Man and the receipt of such person or persons for the whole or such part or parts of the Trust Fund as may be paid or transferred to such person or persons pursuant to such appointment shall be a complete discharge to any other Trustee or Trustees.
- (i) A Trustee may at any time retire from its functions and duties under this Trust by giving to the Donor not less than thirty days written notice at the expiry of which the Fund shall be transferred to the continuing Trustees.
- (iii) During his lifetime the Donor shall have full power to remove a Trustee hereof by delivering to such Trustee thirty days written notice of such removal at the expiry of which notice the Fund shall be transferred to the continuing Trustees. The Donor cannot exercise this power unless after such removal there remains at least two individual Trustees or a Trust Corporation. The said statutory power shall not be exercisable by reason only that a Trustee remains out of the British Islands for more than 12 months.
- (iv) On the replacement or retirement of a Trustee the Trustee shall be discharged from this Trust even though there is neither a Trust Corporation nor two individual Trustees to perform the trust provided that after discharge there is at least one Trustee who is not the Donor or the Donor's spouse and the application of section 36(1)(c) and section 38 of the Trustee Act 1961 shall be modified accordingly. The term “spouse” also includes a civil partner under the UK Civil Partnership Act 2004.

Declaration of trust (continued)

4 General

TRUST NAME

Please insert the name by which you wish the Trust to be known. This will appear on all future correspondence.

This Trust shall be known as Trust name

This Trust shall be irrevocable and shall be governed by and construed in accordance with the Laws of the Isle of Man and the parties submit to the non-exclusive jurisdiction of the Manx courts.

IN WITNESS whereof the parties hereto have hereunto executed this Deed the day and year first before written

SIGNATURES

The names and the signatures of the Donor(s) and Trustees (if the Donor is also a Trustee) should be inserted here. Where appropriate these signatures should be witnessed, and relevant addresses should be detailed.

SIGNED AND DELIVERED AS A DEED by the said Donor

Name of Donor

Signature

In the presence of

Signature

Address of Witness

Name of Donor

Signature

In the presence of

Signature

Address of Witness

SIGNED AND DELIVERED AS A DEED by the said Trustee

Name of Trustee

Signature

In the presence of

Signature

Address of Witness

Declaration of trust (continued)

4 General (continued)

SIGNED AND DELIVERED AS A DEED by the said Trustee

Name of Trustee

Signature

In the presence of

Signature

Address of Witness

SIGNED AND DELIVERED AS A DEED by the said Trustee

Name of Trustee

Signature

In the presence of

Signature

Address of Witness

1. During the minority of the Beneficiary or if there is more than one, during the minority of any of the Beneficiaries the Trustees in the management and administration of the Trust Fund shall in addition to all the relevant powers conferred on them by law have the widest powers of investing disposing of and dealing generally with the Trust Fund as are lawfully capable of being conferred on Trustees to the same effect as if such powers were expressly conferred hereby and set out in extenso and in particular and without prejudice to the generality of the foregoing the Trustees shall have the following powers:
 - (a) power to deal with any Policies and any other assets for the time being held in trust as if they were the absolute beneficial owners thereof including full power to surrender or convert any Policies to a paid up assurance
 - (b) power to recover receive or give valid receipts for all monies due or to become due under any Policies so that the receipt by the Trustees of any monies payable under or deriving from any dealing with any Policies issued by the Company shall be a full and sufficient discharge to the Company which shall not be concerned to see to the application of any such monies
 - (c) power to retain the Trust Fund in its present state and to invest in property of whatsoever nature and wheresoever situate and whether producing income or not including investment in policies of life assurance
 - (d) power to borrow on such terms (including terms as to security) as the Trustees shall in their absolute discretion think fit and to use the moneys so borrowed for any purpose for which capital moneys forming part of the Trust Fund may for the time being be used PROVIDED THAT where there is more than one Beneficiary as between the persons beneficially entitled under these trusts interest payable on such loans shall not be paid out of the income of any part of the Beneficiaries' Fund which is not held on the same trusts as the property representing the moneys so borrowed and for this purpose property shall represent any money which was used to purchase it to improve it or to discharge an encumbrance on it or is otherwise traceable into it
 - (e) 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 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 Trustees in question employed or incurred expense in employing him in good faith
 - (f) power to employ any of their number other than the Donor who may be engaged in any profession business or trade and any Trustee so engaged may charge and be paid all reasonable professional business or trade costs and charges for business transactions time expended and acts done by him (or any partner or employee of his) in connection with the trust powers and provisions hereof including acts which a trustee not being in any profession business or trade could have done personally and whether or not in the usual scope of his business profession or trade
 - (g) power by deed or deeds revocable during the Trust Period or irrevocable wholly or partially to release or restrict the future use of any power hereby conferred on them as if the same were not conferred on them in a fiduciary capacity and so as to bind their successors
 - (h) power at any time or times by deed or deeds to revoke or vary the administrative provisions of this Trust or to add any further administrative provisions that the Trustees may consider expedient for the purposes of this Trust
 - (i) power to accept as a good and sufficient discharge or receipt given by a parent or guardian of any person under the age of 18 years in respect of any capital income paid or applied to that parent or guardian for the maintenance education or benefit of that person without being liable to see to the application of the same.
2. 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 on the part of the Trustee who is sought to be made liable.

The information given in this document is based on Friends Provident International Limited's understanding of UK and Isle of Man tax law and HM Revenue & Customs practice as at June 2015, which may change in the future. Individuals are advised to seek professional independent advice and no liability can be accepted for the personal tax consequences of this Trust or for the effect of future tax and legislative changes.

Each policy is governed by and shall be construed in accordance with the laws of the Isle of Man. If your client effects a policy whilst resident in the United Arab Emirates, all disputes regarding the policy shall be subject to the non-exclusive jurisdiction of the courts of the United Arab Emirates.

Some telephone communications with Friends Provident International are recorded and may be randomly monitored.

All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, wherever their place of residence. Investors should be aware that specific investor protection and compensation schemes that may exist in relation to collective investments and deposits accounts are unlikely to apply in the event of failure of such an investment held within insurance contracts.

We do not condone tax evasion and our products and services may not be used for evading your tax liabilities.

Complaints we cannot settle can be referred to the Financial Services Ombudsman Scheme for the Isle of Man. (Not applicable to Corporate Trustees.)

A written statement of the policy terms and conditions of the products may be obtained from Friends Provident International Limited on request.

Get in touch

To find out more about how the Absolute Gift Trust could benefit your clients, please call us on **+44 1624 821153** or email us at: **alt@fpiom.com**

Data Privacy

We take the responsibility of handling your personal data very seriously and we will only ask you for details required to process your requests to us. Please be aware of our privacy policy – please visit **www.fpinternational.com/legal/privacy-and-cookies** to view the full policy or this can be provided on request from our Data Protection Officer.

About Friends Provident International

We are a leading financial services provider, with a reputation for trust, commitment and integrity, offering financial solutions to customers throughout their lives.

Friends Provident International has over 35 years of international experience in offshore savings and investments.

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Friends Provident International Limited: Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA. Telephone: +44 (0)1624 821212 | Fax: +44 (0)1624 824405 | Website: www.fpinternational.com. Isle of Man incorporated company number 11494C. Authorised and regulated by the Isle of Man Financial Services Authority. Provider of life assurance and investment products. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. **Singapore branch:** 4 Shenton Way, #11-04/06 SGX Centre 2, Singapore 068807. Telephone: +65 6320 1088 | Fax: +65 6327 4020 | Website: www.fpinternational.sg. Registered in Singapore No. T06FC6835J. Licensed by the Monetary Authority of Singapore to conduct life insurance business in Singapore. Member of the Life Insurance Association of Singapore. Member of the Singapore Financial Dispute Resolution Scheme. **Hong Kong branch:** 803, 8/F., One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Hong Kong. Telephone: +852 2524 2027 | Fax: +852 2868 4983 | Website: www.fpinternational.com.hk. Authorised by the Insurance Authority of Hong Kong to conduct long-term insurance business in Hong Kong. **Dubai branch:** PO Box 215113, Emaar Square, Building 6, Floor 5, Dubai, United Arab Emirates. Telephone: +9714 436 2800 | Fax: +9714 438 0144 | Website: www.fpinternational.ae. Registered in the United Arab Emirates with the UAE Insurance Authority as an insurance company. Registration date, 18 April 2007 (Registration No. 76). Registered with the Ministry of Economy as a foreign company to conduct life assurance and funds accumulation operations (Registration No. 2013). Friends Provident International is a registered trademark and trading name of Friends Provident International Limited.