

Aviva Discretionary Gift Trust (protection)



You can use the Aviva Discretionary Gift Trust if you have an Aviva single or joint life protection policy. This trust isn't suitable for critical illness only policies. This trust is also not suitable for a joint life policy where you wish for either of you to receive any death benefit paid. In these circumstances you may wish to use the Aviva Survivor Trust (protection).

Using this Trust doesn't affect the policyholder's (this likely to be you) right to keep any terminal illness, critical illness, total permanent disability and mortgage payment protection benefits that they have with their Aviva protection policy.

Important information

- **Once a Trust has been set up, you can't cancel it.**
- **Creating a trust has taxation as well as legal implications.**
- **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.**
- **We strongly recommend you take legal and/or financial advice before setting a Trust up.**
- **If you've any concerns about whether creating a trust is right for you, please discuss this with your legal or financial adviser before going ahead.**
- Any references to tax treatment in our literature are based on Aviva's understanding of legislation and HM Revenue & Customs's (HMRC) practice at the time of publication. Both of these are likely to change in the future. We've tried to be accurate, but Aviva's interpretation may be challenged by HMRC or other regulatory bodies. Neither Aviva or its representatives can accept responsibility for loss, however caused, experienced by any person who has or hasn't acted as a result of our literature.
- The person creating the Trust, the Settlor, will automatically be appointed as a Trustee. We'll continue to recognise your financial adviser associated with the policy when the Trust has been created.

For any other trusts sent to Aviva, where the original policyholders are not appointed as Trustees, we'll assume there's no financial adviser that we need to talk to, unless all the trustees tell us that the original financial adviser has been kept, or a new one has been appointed.

This will also apply to any further appointments or retirement of Trustees made.

Your Personal Information

We collect and use your Personal Information as part of this trust process. If you would like more information about how we use and process Personal Information and your rights in relation to it, you can find further detail in our full privacy policy at [aviva.co.uk/privacypolicy](https://www.aviva.co.uk/privacypolicy) or request a copy by writing to us at: The Data Protection Team, Aviva, PO Box 7684, Pitheavlis, Perth PH2 1JR.

If you need more information, please read our guide 'Aviva's protection trusts and inheritance tax'.

How to complete the Discretionary Gift Trust Deed

Please complete the Trust Deed in black ink and block capitals (except for signatures).

To help make it easier to complete this Deed, we've listed guidance notes below and added instruction notes on the deed itself. These are for guidance only and don't form part of the Deed.

We've used capital letters at the beginning of some word or words to highlight that this might be a defined term. We've listed all our defined terms in the Part E Definitions section.

If you're not completing this Trust Deed online (for new policies only), please use the submission checklist at the end of the Deed, to make sure you've completed the Trust Deed correctly.

Guidance Notes

Part A

1. Insert the date the deed is completed (i.e. the date the last person, either Settlor or Trustee, signs the document). **Don't** backdate or forward-date this Deed.
2. The Settlor should insert their full name (including middle names) and address under 'Settlor 1'. By Settlor, we mean policyholder. This is likely to be you. If your policy is a joint policy, please add the secondary policyholder's details under 'Settlor 2'.

We'll class the first or only Settlor as the lead Trustee and we'll generally communicate with them. It's the lead Trustee's responsibility to keep the other Trustees informed. However, there may be circumstances where we need to communicate with all Trustees.

3. The full name (including middle names) and address of any additional Trustee(s) being appointed should be included. You're automatically a Trustee so you don't have to include your own name again. We strongly recommend that at least one additional Trustee is appointed. The Trustees are responsible for administering the trust (i.e. they're legally bound to make sure your money is looked after then distributed to your nominated Beneficiaries).

Part C Schedule

1. Insert your policy number. If you want this Trust deed to apply to multiple policies, please list all the additional policy numbers in the space provided.
2. By listing your additional policy number(s), you're also assigning this policy or these policies to be held in trust. You can't change your mind and all the policies you've listed will be subject to the terms of this trust deed.

If you've any concerns about whether creating a trust is right for you, please discuss this with your legal or financial adviser before going ahead.

Part D Definitions

1. In the box under 'Default Beneficiaries' please list the full name (including middle names) of each Default Beneficiary who you want to benefit from the Trust, along with, the % share of the Trust that you want them to get. The total % share between the Default Beneficiaries should total 100%.

These Default Beneficiaries will receive their share of the benefit if no other Potential Beneficiaries have been appointed within the Trust Period of 125 years.

Part E Principal trust terms

1. If you tick this box, you **WON'T** get any money from a terminal illness claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries.
2. If you tick this box, you **WON'T** get any money from any critical illness claim, including additional benefits such as children's critical illness. This means that, any money from the claim will be held by the Trustees for the Beneficiaries. You should read your policy terms and conditions for further information.
3. If you tick this box, you **WON'T** get any money from a total permanent disability claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries.
4. If you tick this box, you **WON'T** get any money from a mortgage payment protection claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries.

Part G Signatures

1. Each Settlor detailed in Part A should sign in Part G. Their signature must be witnessed by a person over the age of 18, and they must not be a Settlor or Trustee of this Trust Deed.
2. Each additional Trustee detailed in Part A should sign in Part G. This will confirm their acceptance of their appointment as a Trustee. Their signature must be witnessed by a person over the age of 18, and they must not be a Settlor or Trustee of this Trust Deed.

Discretionary Gift Trust (protection))

Trust Deed

Part A

This Trust is made the

day of 20

by (full name of Settlor 1)

of (address of Settlor 1)

 postcode

by (full name of Settlor 2)

of (address of Settlor 2)

 postcode

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

And the Settlor

and (full name of Trustee)

Date of birth (DOB of Trustee)

of (address of Trustee)

 postcode

and (full name of Trustee)

Date of birth (DOB of Trustee)

of (address of Trustee)

 postcode

and (full name of Trustee)

Date of birth (DOB of Trustee)

of (address of Trustee)

 postcode

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

Insert the date when the last person (Settlor or Trustee) signs the document. **Don't** backdate or forward-date this Deed.

The Settlor should insert their full name (including any middle names) and address under 'Settlor 1'. By Settlor, we mean policyholder. This is likely to be you. If your policy is a joint policy, please add the secondary policyholder's details under 'Settlor 2'.

The full name (including middle names) and address of any additional Trustee(s) being appointed should be included. You're automatically a Trustee so don't include your name again. We strongly recommend that at least one additional Trustee is appointed.

Part B Constitution of the Trust

The Settlor hereby assigns the Original Asset and all rights to be issued therewith to the Original Trustees to hold the same and the Trust Fund subject to the terms of this Trust.

Part C Schedule

The 'Original Asset' means the life insurance policy specified below.

Insert your policy number.

Policy number

issued by the Company.

Additional policies

Policy number

Policy number

Policy number

Policy number

Policy number

Please insert any additional policy numbers you want to be assigned and held in trust. You **can't** change your mind and all the policies you've listed will be subject to the terms of this trust.

Part D Definitions

In this Deed the following terms have the following meanings and unless the context does not permit, words signifying the singular shall include the plural and vice versa, and gender shall include all genders (including neuter).

1. **"Appointor"** means:
 - a) if there are two Settlers of full capacity, both Settlers;
 - b) if there is only one Settlor of full capacity, that Settlor;
 - c) if no Settlor is of full capacity, the Trustees (being at least two in number or a trust company).
2. **"Beneficiaries"** means the Default Beneficiaries (if any) and the Potential Beneficiaries.
3. **"Child or remoter descendant"** includes any illegitimate, step, adopted or legitimated child or remoter descendant.
4. **"Default Beneficiaries"** means the one or more Persons named in the box below and in the shares specified, and if there are no shares specified, in equal shares

Beneficiary's full name	% share

Please list the full name (including middle names) of each Default Beneficiary (your children or grandchildren, for example) who you want to benefit from the Trust, along with, the % share of the Trust that you want them to get. The total % share between the Default Beneficiaries should total 100%.

5. **“Person”** includes any natural person anywhere in the world and includes a Trustee who is a natural person
6. **“Potential Beneficiaries”** means:
 - a. Any Spouse or Civil Partner or former Spouse or former Civil Partner or Widow(er) or surviving Civil Partner of any Settlor (but not where such Person is also a Settlor);
 - b. Any Child or remoter descendant of any Settlor;
 - c. Any Spouse or former Spouse or Widow(er) of any Child or remoter descendant of any Settlor;
 - d. Any Person (other than a Settlor) or charity nominated in writing by a Settlor (and if there are two Settlers of full capacity then both Settlers) to the Trustees to be a Potential Beneficiary;
 - e. Any Person (other than a Settlor) who has an interest in the estate of any Settlor by will or codicil, under intestacy laws, by right of survivorship or otherwise.
7. **“Settlor”** means the person (or persons) who are named in Part A of the trust.
8. **“The Company”** means any company within the Aviva plc group of companies.
9. **“Trustees”** means the Original Trustees or other Trustees for the time being.
10. **“Trust Fund”** means the Original Asset and all moneys, investments or other assets at any time paid or transferred to and accepted by the Trustees by way of further settlement, accumulation of income, capital accretion or otherwise and all property from time to time representing the foregoing respectively, except for benefits specifically retained by, or for the benefit of, the Settlor under the Original Asset.
11. **“Trust Period”** means the period of one hundred and twenty five years commencing from the start of this Trust Deed.

Part E Principal trust terms

<p>1. The Trustees shall hold any terminal illness benefit under any insurance policy forming all or part of the Trust Fund for the benefit of the Settlor absolutely.</p> <p>Tick this box if you DON'T want to benefit from any terminal illness benefit <input type="checkbox"/></p>	<p>If you tick this box, you WON'T get any money from a terminal illness claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries</p>
<p>2. The Trustees shall hold any critical illness benefit under any insurance policy forming all or part of the Trust Fund for the benefit of the Settlor absolutely.</p> <p>Tick this box if you DON'T want to benefit from any critical illness benefit <input type="checkbox"/></p>	<p>If you tick this box, you WON'T get any money from any critical illness claim, including additional benefits such as children's critical illness. This means that, any money from the claim will be held by the Trustees for the Beneficiaries. You should read your policy terms and conditions for further information.</p>
<p>3. The Trustees shall hold any total permanent disability benefit under any insurance policy forming all or part of the Trust Fund for the benefit of the Settlor absolutely.</p> <p>Tick this box if you DON'T want to benefit from any total permanent disability benefit <input type="checkbox"/></p>	<p>If you tick this box, you WON'T get any money from a total permanent disability claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries.</p>
<p>4. The Trustees shall hold any mortgage payment protection benefit under any insurance policy forming all or part of the Trust Fund for the benefit of the Settlor absolutely.</p> <p>Tick this box if you DON'T want to benefit from any mortgage payment protection benefit <input type="checkbox"/></p>	<p>If you tick this box, you WON'T get any money from a mortgage payment protection claim. This means that, any money from the claim will be held by the Trustees for the Beneficiaries.</p>

5. The Trustees shall hold all other proceeds or all proceeds where some or all of the options in Part E (1), (2), (3) and (4) above have been selected for the benefit of the Potential Beneficiaries as follows:
 - a. During the Trust Period the Appointor may by deed or deeds revocable or irrevocable appoint the whole or any part or parts of the Trust Fund for such one or more of the Potential Beneficiaries in such one or more shares and for such interests as the Appointor shall in their absolute discretion think fit.
 - b. An appointment may create any provisions and in particular discretionary trusts and dispositive or administrative powers, exercisable by any person.
 - c. A revocable appointment may only be revoked during the Trust Period. Any revocable appointment may only be revoked if, at the same time, a new appointment is made so as to replace in their entirety the provisions of the appointment being revoked (due regard being had to Part F clause 7 below).

The income of the Trust Fund

6. The Trustees may pay or apply the whole or any part or parts of the income of the Trust Fund to or for the benefit of any Beneficiary as they think fit within twelve months of the same arising, and
7. shall during the Trust Period accumulate all such income as is not so applied and hold the same as one fund with the capital of the Trust Fund.

Default clause

Subject to the above, the Trust Fund shall be held on Trust at the expiry of the Trust Period for the absolute benefit of the Default Beneficiaries in such shares as the Trustee shall determine and subject thereto in equal shares absolutely.

Part F Powers and Provisions

1. In managing and dealing with the Trust Fund, the Trustees shall have the widest possible powers as if they were the absolute Beneficial owners thereof and were capable of carrying out any transaction whatever in connection with this Trust and without prejudice to the generality of the foregoing the Trustees shall have the following specific powers:
 - a. power to effect any policy of life insurance on the life of any Person or Persons.
 - b. power to exercise all options conferred by any policy of life insurance.
 - c. power to sell, charge or assign any policy of life insurance and to surrender the whole or any part of such policy.
 - d. power to borrow money on such terms as they may think fit and whether upon the security of the whole or any part or parts of the Trust Fund or upon personal security only.
 - e. power to pay or transfer any capital or income to be paid to or applied for the benefit of a Beneficiary who is under legal disability to any parent or guardian of that Beneficiary on behalf of such Beneficiary and the receipt of such Person shall be a complete discharge to the Trustees who shall be under no obligation to see to the proper application thereof.
 - f. power 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 during the Trust Period.
 - g. in addition, the Trustees may by deed or deeds add to, amend or remove the powers contained in this clause if they in their absolute discretion think fit.
2. The statutory power of appointing further Trustees shall be vested in the Appointor.

3. (a) Any Trustee hereof being a person engaged in any profession or business shall 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 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 statutory or non-statutory powers.

(c) Any Trustee may exercise or concur in exercising all powers and discretions given to him by this Deed 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 one or more co-Trustees to act alone in relation thereto.
4. If there are two Settlers of full capacity both Settlers shall together have power to dismiss any Trustee by deed giving 30 days' notice to such Trustee and if there is only one Settlor of full capacity that Settlor shall have that power provided always that no dismissal shall take effect unless and until there is at least a trust corporation or two individual Trustees to act as continuing Trustees.
5. Where one Trustee ("the missing Trustee") cannot be found and the other Trustees ("the remaining Trustees") have made all reasonable efforts to trace him, the remaining Trustees being not less than two in number or a trust corporation may by deed discharge the missing Trustee. A recital in that deed stating that the Missing Trustee cannot be found and that the remaining Trustees have made all reasonable efforts to trace him shall be conclusive evidence in favour of any Person dealing with the Trustee in good faith.
6. During the Trust Period the Appointor may by deed exclude any one or more persons from the Potential Beneficiaries to the intent that thereafter no beneficial appointment may be made in favour of that Person or those Persons.
7. Notwithstanding any provision in the Deed no power conferred by this Deed or by law (and no power of revocation reserved by any exercise of power) shall be exercisable, and no provision other than those contained in Part E(1), (2), (3) and (4) shall operate, so as to allow the Trust Fund or its income to be or to become lent to or in any way paid or payable to or applied or applicable for the benefit of any Settlor in any circumstances whatsoever TO THE INTENT THAT there shall be no gift with a reservation for the purposes of section 102(1) of the Finance Act 1986.
8. (a) No dealing with any life policy forming part of the Trust shall be capable of being effected so as to affect the rights vested in the Settlor by Part E (1), (2), (3) or (4).

(b) If any life policy forming part of the Trust Fund shall determine while the rights vested in the Settlor by Part E (1), (2), (3) or (4) remain to be fulfilled the Trustees shall effect such new policy as they shall in their discretion determine as shall give rise to replacement rights to those set out in Part E (1), (2), (3) or (4).
9. This Deed is irrevocable and shall be governed by the law of England.

Part G Signatures

**Signed and delivered as a Deed
by the said (Settlor 1 name)**

Name

**Signed
(signature of Settlor 1)**

Signature

**in the presence of:
(signature of witness)**

Signature

Name and address of witness

Name and address

**Signed and delivered as a Deed
by the said (Settlor 2 name)**

Name

**Signed
(signature of Settlor 2)**

Signature

**in the presence of:
(signature of witness)**

Signature

Name and address of witness

Name and address

Each Settlor detailed in Part A should sign here. Their signature must be witnessed by a person over the age of 18, and they must not be a Settlor or Trustee of this Trust Deed.

**Signed and delivered as a
Deed by the said
(Original Trustee name)**

Name

**Signed
(signature of Original Trustee)**

Signature

**in the presence of:
(signature of witness)**

Signature

Name and address of witness

Name and address

**Signed and delivered as a
Deed by the said
(Original Trustee name)**

Name

**Signed
(signature of Original Trustee)**

Signature

**in the presence of:
(signature of witness)**

Signature

Name and address of witness

Name and address

Each additional Trustee detailed in Part A should sign here. This will confirm their acceptance of their appointment as a Trustee. Their signature must be witnessed by a person over the age of 18, and they must not be a Settlor or Trustee of this Trust Deed.

**Signed and delivered as a
Deed by the said
(Original Trustee name)**

Name

**Signed
(signature of Original Trustee)**

Signature

**in the presence of:
(signature of witness)**

Signature

Name and address of witness

Name and address

Submission checklist

Part A

The Trust is dated with the date after the last Person (Settlor or Trustee) signed it.

The Settlor(s) have filled in their names and addresses.

The Trustee(s) have filled in their names and addresses. (We recommend you appoint at least one additional Trustee).

Part C

You've entered the policy number(s).

Part G

The Settlor(s) and Trustee(s) named in Part A **have signed** Part G.

Important: Once a trust has been set up, you can't cancel it. Creating a trust has taxation as well as legal implications. Because of this, we strongly recommend you take legal and/or financial advice before setting one up. If you've any concerns about whether creating a trust is right for you, please discuss this with your legal or financial adviser before going ahead.

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