

Discretionary Discounted Gift Trust from Aviva

(for use by single or joint Settlers)

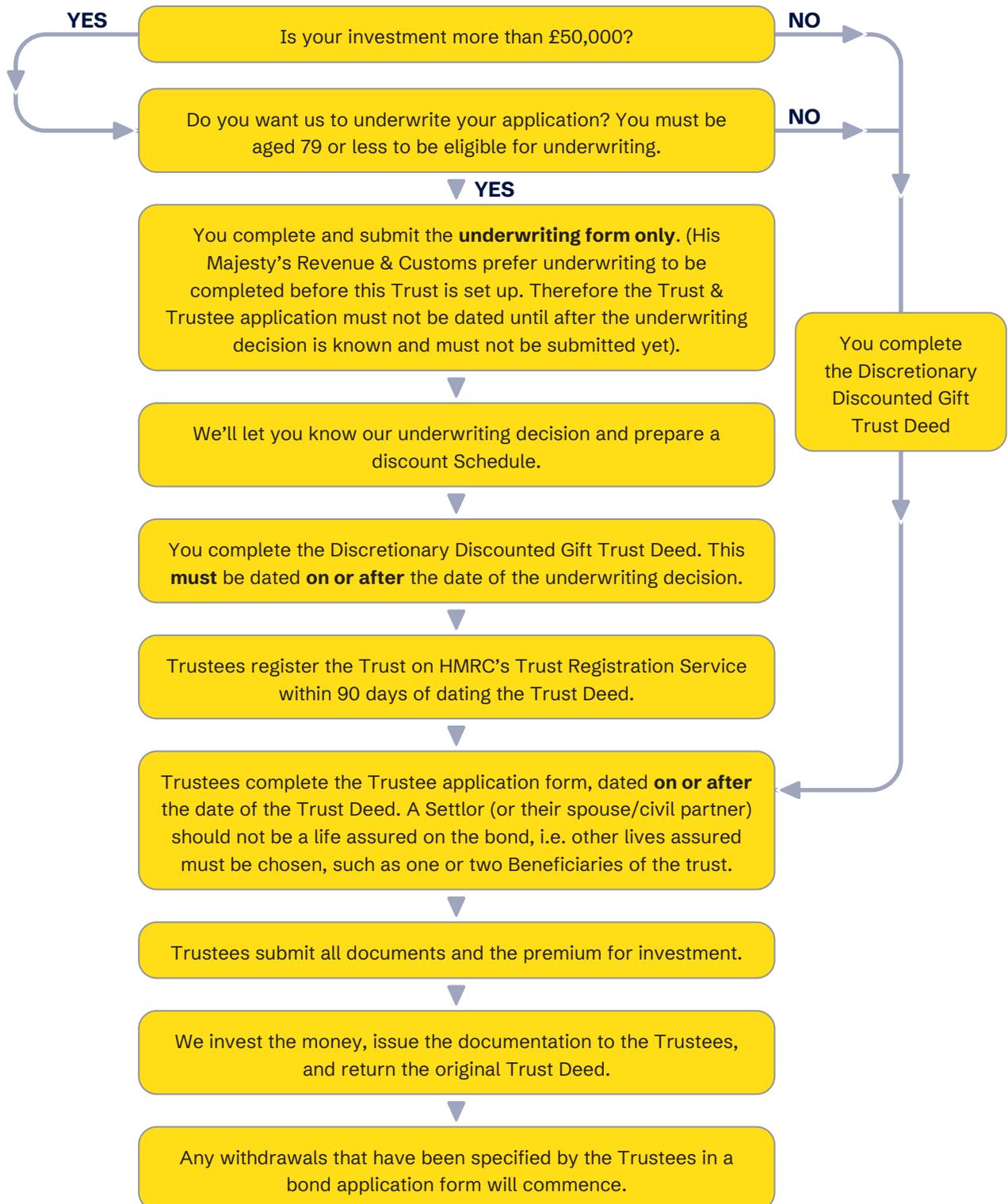
The Settlor retains the right to regular
payments

Discretionary Discounted Gift Trust

New business application process for the Discretionary Discounted Gift Trust

This Trust is designed for use with Aviva investment bonds.

To enable us to set up the Trust and make the appropriate investment(s), it's important that you follow the process below to ensure that all documents are correctly completed and submitted.



Failure to register or to maintain the HMRC Trust Registration Service trust record on a timely basis (90 days) can lead to penalties of up to £5,000, being issued to the Trustees by HMRC. It is the Trustee's responsibility to register and maintain the trust record with HMRC.

Discretionary Discounted Gift Trust

How to complete the Discretionary Discounted Gift Trust Deed

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

Please complete the Trust Deed in ink and use block capitals (except for signatures) and always give full names (i.e. include middle names).

Part A

1. Insert the date when the last person (Settlor or Trustee) signs the document. If you have requested underwriting, you should not date the Trust or send it to Aviva until you have received the underwriting decision.
2. The first or only Settlor should insert their full name alongside (Settlor 1 full name) and then their full address alongside (Settlor 1 address).
3. If there are two Settlers, then the second Settlor should insert their full name and their address alongside the appropriate (Settlor 2) sections.
4. Insert the full name and address of any Additional Trustee you are appointing alongside (full name of Trustee) and (address of Trustee). You are automatically a Trustee, so you don't have to include your own name again. The Trustees (including you) are responsible for administering the Trust. Make sure, when completing HMRC's Trust Registration Service, that you include the Settlers as Trustees on the trust record.

We strongly recommend that you appoint at least one Additional Trustee.

Part B Constitution of Trust

Insert the total amount of cash you are giving to the Trust/Trustees in the box.

Part C Definitions

Default Beneficiaries. Insert the names of the Beneficiaries (your children or grandchildren, for example) you want to benefit from the Trust after your death, and the share each is to receive. The shares must total 100%. These Beneficiaries will only benefit if no other appointment is made within the trust period (125 years). You should insert only names, and not, for example, a beneficiary clause.

Part E Schedule

Insert the amount you want to get back for each payment.

Select only **one** of the payment frequency options by ticking either the **monthly or annual** option.

Part G Signatures

1. Insert your full name(s) alongside (Settlor 1 name) and (Settlor 2 name) 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. Each Additional Trustee you are appointing should insert his/her name alongside (Original Trustee name), and sign alongside (signature of Original Trustee).
4. Each Trustee signature should be witnessed (as with the Settlor above) by an independent witness.

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.

Discretionary Discounted Gift Trust

Guide to completing the Deed:

To help make it easier to complete this Deed, look out for the guidance notes.

They do not form part of the Trust Deed.

Important notes

1. Anyone thinking of using the Discretionary Gift Trust, or doing anything under the provisions of the Trust, must rely on the advice of their legal, financial and/or tax advisers. We would urge you to seek appropriate professional advice before proceeding. This is important for a number of reasons:
 - Creating a trust can have taxation as well as legal consequences.
 - Once the Trust has been created it cannot be revoked.
 - 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. Any references to tax treatment for the Discounted Gift Trust are based on Aviva's understanding of legislation and HM Revenue & Customs practice at the time of publication. Both of these are likely to change in the future, potentially with immediate or retrospective effect, and a liability to tax may arise under an existing arrangement. Every care has been taken as to accuracy, but it must be appreciated that neither Aviva 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.
3. Tax Residence Self Certification. If you are considering using this document in connection with a bond, endowment, whole of life policy or immediate life annuity, please note that it is important also to complete the appropriate Tax Residence Self Certification Form (IN06062 or IN06064) for each new party who is signing.
4. By placing this Bond into trust the legal ownership has changed and therefore any current financial adviser acting on the policy will be removed as well as any ongoing adviser charges. If the Trustees wish to keep the current financial adviser we'll need a letter of authority signed by all existing and new Trustees. If you want to pay ongoing adviser charges we'll need all existing and new Trustees to sign the Adviser Charge Agreement on Bonds form (IN06055).
5. Trust Registration Service. If your policy is written into a trust, there may be an action to register the trust with HMRC.
The trust register will need to be updated periodically (within 90 days) on the occurrence of certain events, such as a change to the Beneficiaries or Trustees of the Trust.

Registration and ongoing maintenance of the trust record is the Trustee's responsibility.

As part of our checks, we may ask to see evidence that this has been done. If you can't show us proof, this may delay your policy being processed and could delay withdrawals. You can find more information about the Trust Registration Service on the government website. [gov.uk/guidance/register-a-trust-as-a-trustee](https://www.gov.uk/guidance/register-a-trust-as-a-trustee) If you're unsure about what you need to do, you should speak to a legal or financial adviser.

Failure to register or to maintain the HMRC Trust Registration Service trust record on a timely basis (90 days) can lead to penalties of up to £5,000, being issued by HMRC.

When you have completed the Trust Registration you will see a confirmation screen which includes a unique reference number and is proof of the trust registration. The system will also allow you to see a copy of the information provided to HMRC.

We recommend that you print or save this information as proof of your registration of the trust with HMRC.

Following registration you will generally receive a Unique Reference Number ('URN') or Unique Taxpayer Reference ('UTR') from HMRC within 14 days. Once you have this reference number you can claim the trust as trustee to log on and maintain the trust and download proof of registration when required.

Discretionary Discounted Gift Trust

Trust Deed

Part A

This Trust is made the

_____ day of _____ 20____

Insert the date when the last person (Settlor or Trustee) signs the document.
If you have requested underwriting, you should not date the Trust or send it to Aviva until you have received the underwriting decision.

by (Settlor 1 full name)

The first or only Settlor should insert their full name and then their full address.

of (Settlor 1 address)

_____ postcode _____

by (Settlor 2 full name)

If there are two Settlers, then the second Settlor should insert their full name and address.

of (Settlor 2 address)

_____ postcode _____

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

and (full name of Trustee)

Insert the full names and addresses of any Additional Trustees you are appointing. You are automatically a Trustee, so you don't have to include your own name again. We strongly recommend that you appoint at least one Additional Trustee.

of (address of Trustee)

_____ postcode _____

Discretionary Discounted Gift Trust

Trust Deed continued

Part A continued

and (full name of Trustee)

of (address of Trustee)

 postcode

and (full name of Trustee)

of (address of Trustee)

 postcode

and (full name of Trustee)

of (address of Trustee)

 postcode

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

Discretionary Discounted Gift Trust

Trust Deed continued

Part B Constitution of Trust

Put the total amount of cash you are giving to the Trust/Trustees in the box.

The Settlor intends to give the sum of £ to the Original Trustees (or where there are two Settlers each intends to give the sum of half that amount) and the Original Trustees agree to invest that sum in a single premium investment bond ("the Policy") with the Company.

Trust Registration: Please tick this box to confirm that you have attached evidence to show that this Trust is registered with the Trust Registration Service.

See point 5 of the Important Notes for more information.

Part C 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 a gender shall include all genders (including the neuter).

- "Appointor"** means:
 - if there are two Settlers of full capacity, both Settlers;
 - if there is only one Settlor of full capacity, that Settlor;
 - if no Settlor is of full capacity, the Trustees (being at least two in number or a Trust Company).
- "Beneficiaries"** means the Default Beneficiaries (if any) and the Potential Beneficiaries.
- "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 then in equal shares.

| Beneficiary name | % Share |
|------------------|---------|
| | |
| | |
| | |
| | |
| | |

Insert the names of the Beneficiaries (your children or grandchildren, for example) you want to benefit from the Trust after your death, and the share each is to receive. The shares must total 100%. These Beneficiaries will only benefit if no other appointment is made within the trust period (125 years). You should insert only names; you should not insert a beneficiary clause.

Under the terms of the deed, Settlers of the Trust are excluded from benefitting from the Beneficiaries' fund of the Trust. If a Settlor benefits from a trust they set up there are adverse tax consequences and the inheritance tax planning does not work. It is therefore important you do not include your own name in the Beneficiary name box.

- "Potential Beneficiaries"** means:
 - any spouse, former spouse or widow(er) of any Settlor (but not where such person is also a Settlor);
 - any child or remoter descendant of any Settlor;
 - any spouse, former spouse or widow(er) of any such child or remoter descendant;
 - any person (other than a Settlor) or charity nominated in writing by a Settlor (and if there are two Settlers of full capacity both Settlers) to the Trustees to be a Potential Beneficiary;
 - any person (other than a Settlor) who has an interest in the estate of any Settlor by will or codicil, under intestacy rules, by right of survivorship or otherwise.

Discretionary Discounted Gift Trust

Trust Deed continued

5. **“Trustees”** means the Original Trustees or other Trustees for the time being hereof.
6. **“Trust Fund”** means 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.
7. **“Trust Period”** means the period of one hundred and twenty five years commencing on the date of this Trust Deed.
8. **“Spouse”** includes a civil partner and “widow” or “widower” also includes a surviving civil partner.

Under the terms of the Deed, your spouse can benefit from the Trust. However, it is recommended that your spouse does not benefit from the Trust, to minimise the risk of a gift with reservation of benefit (GWROB) occurring for inheritance tax purposes. A GWROB arises when the Settlor (‘you’) retain an interest in the Trust. When a GWROB occurs it is treated like you never made the gift and some or all of the gift to the Trust remains in your death estate, negating the inheritance tax planning.

9. **“Child or remoter descendant”** includes any illegitimate, step, adopted or legitimated child or remoter descendant.
10. **“Person”** includes a person anywhere in the world and includes a Trustee.
11. **“the Company”** means any company within the Aviva plc group of companies.

Part D Principal Trust terms

The Trustees shall hold the Trust Fund as two funds as set out below.

1. The Settlor’s Fund

The right to take the regular cash payments specified in the Schedule below by exercise of powers in the Policy or any substituted policy to make periodic surrenders (“the Settlor’s Fund”) shall be held on bare trust as follows:

- (a) If there is a single Settlor, for that Settlor absolutely; or
- (b) If there are two Settlers, for those Settlers as joint tenants absolutely.

The Trustees shall be obliged to make the regular cash payments described in the Schedule below in satisfaction of the Settlor’s Fund and to do all such acts as may be necessary or desirable to secure their payment unless and until the value of the Trust Fund is insufficient to meet those payments. If at any time while the right to the payments subsists the Policy shall determine the Trustees shall employ any funds in their hands in taking out a replacement policy capable so far as possible as giving effect to the rights of the Settlor’s Fund.

2. The Beneficiaries’ Fund

Subject always to the Settlor’s Fund and the provisions of the Schedule below, the remainder of the Trust Fund (“the Beneficiaries’ Fund”), being the whole of the Trust Fund excluding the Settlor’s Fund, shall be held for the benefit of the Potential Beneficiaries as follows:

- a) During the Trust Period, the Appointor may by Deed or Deeds revocably or irrevocably appoint the whole or any part or parts of the Beneficiaries’ 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.

3. The Income of the Beneficiaries’ Fund

- a) The Trustees may accumulate the whole or part of the income of the Beneficiaries’ Fund during the Trust Period. That income shall be added to the Beneficiaries’ Fund.
- b) The Trustees shall pay or apply the remainder of the income to or for the benefit of any Beneficiary.

4. Default Clause

Subject to the above, the Beneficiaries’ Fund shall be held on Trust for the absolute benefit of the Default Beneficiaries.

Discretionary Discounted Gift Trust

Trust Deed continued

Part E Schedule

The “**Settlor’s Fund**” means the right to the capital payments specified below.

The specified capital amount is £ for each payment.

To meet the Settlor’s requirements, please ensure you specify the required withdrawals on the application form.

The specified frequency of the regular capital payment is:

monthly starting on the 28th day of the month following the month in which the Trust Deed is dated, **or**

every twelve months starting on the 28th day of the twelfth month following the month in which the Trust is dated

and ending with the payment immediately preceding the death of the Settlor or the death of the survivor where there are two Settlers.

(Please tick only **one** of the above options.)

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 provided always that none of the powers conferred by this clause shall be capable of being exercised in such a way as shall be inconsistent with their obligations under the bare trust created by Part D (1) and Part E Schedule (the Settlor’s Fund):
 - (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 after the death of the Settlor (or the death of both Settlers where there are two Settlers) to lend with or without security to any Beneficiary the whole or any part or parts of the Beneficiaries’ 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.
2. The statutory power of appointing new or Additional Trustees shall be vested in the Appointor.

Discretionary Discounted Gift Trust

Trust Deed continued

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 Company 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 Company 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 Company 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 Trustees 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 this Deed no power conferred by this Deed or by law shall be exercisable, and no provision other than those contained in Part D (1) and Part E Schedule 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.
 8. This Deed is irrevocable and shall be governed by the law of England.
 9. The Settlor certifies that this Deed falls within categories L and N of the Stamp Duty (Exempt Instruments) Regulations 1987.

Discretionary Discounted Gift Trust

Trust Deed continued

Part G Signatures

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

Insert your full name as appropriate and sign the Trust Deed.

Signed (signature of Settlor 1)

Your signature(s) should be witnessed (i.e. signed) 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.

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

Name (of witness)

Address (of witness)

postcode

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

Signed (signature of Settlor 2)

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

Name (of witness)

Address (of witness)

postcode

Discretionary Discounted Gift Trust

Trust Deed continued

Part G Signatures continued

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

Signed (signature of Original Trustee)

in the presence of:
(signature of witness)

Name (of witness)

Address (of witness)

postcode

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

Signed (signature of Original Trustee)

in the presence of:
(signature of witness)

Name (of witness)

Address (of witness)

postcode

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Aviva Life & Pensions UK Limited.

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