

LOAN TRUST

FIXED INTEREST UNITED KINGDOM

Utmost Wealth Solutions is the brand name used by a number of Utmost companies. This item has been issued by Utmost Luxembourg S.A.

Words in the singular include the plural and vice versa. A reference to one gender includes a reference to the other gender.

Policy Number

This Trust Deed is provided for the consideration of the parties' advisers. Utmost Luxembourg S.A. makes no representation as to its efficacy and shall not be liable for any loss arising out of or in connection with its execution inclusive of, but not exclusively, any negative tax consequence.

Utmost Luxembourg S.A. strongly recommends that the parties take independent and professional legal and tax advice prior to entering into this Trust Deed in order to assess the consequences of the transaction in light of their particular circumstances.

Please ensure all relevant fields are completed.

THIS AGREEMENT is made the

day of

20

Between

of

(hereinafter called "the Settlor") of the one part and the Settlor

and

of

and

of

(hereinafter together called "the Trustees" which expression shall where the context so admits include the Trustees or Trustee for the time being hereof) of the other part.

WHEREAS

- (A) The Settlor intends to make an interest free loan to the Trustees with the intention that such loan monies shall be held by the Trustees (subject only to the right of the Settlor to be repaid the principal amount of the loan on demand) upon the following trusts and subject to the powers and provisions contained in this deed.
- (B) It is intended that this Trust shall be irrevocable.

PART 1 – OPERATIVE PROVISIONS

1 DEFINITIONS AND CONSTRUCTION

In this Deed where the context admits the following definitions and rules of construction shall apply.

- 1.1 The "Trust Fund" shall mean any monies lent by the Settlor to the Trustees and all further assets added or accruing whether by way of further loan (by the Settlor or any other person) settlement capital accretion accumulation of income or otherwise and income retained under clause 4.2 and all monies investments and property from time to time representing the same respectively or any Part or Parts thereof.
- 1.2 The "Beneficiary" shall mean
- 1.3 "Civil Partner" shall mean a civil partner as defined by Section 1 of the Civil Partnership Act 2004.
- 1.4 "spouse" includes husband, wife or Civil Partner.
- 1.5 Words denoting the singular shall include the plural and vice versa.
- 1.6 Words importing any of the masculine, feminine or neuter genders shall include the other two genders.

2 TRUSTS

The Trustees shall hold the capital and income of the Trust Fund upon trust for the Beneficiary absolutely.

3 ADMINISTRATIVE POWERS

Until the Beneficiary attains the age of 18 years, the Trustees shall, in addition and without prejudice to all statutory powers have the powers and immunities set out in Part 2 of this Deed. No power conferred on the Trustees shall be exercised so as to conflict with the beneficial provisions of this Deed.

4 POWER OF MAINTENANCE

- 4.1 Section 31 Trustee Act 1925 shall not apply to this Deed.
- 4.2 If and so long as the Beneficiary is under the age of 18 years, the Trustees may pay or apply all or part of the income of the Trust Fund to him or for his maintenance or education or otherwise for his benefit, as they shall in their discretion think fit. Any balance of income shall be retained by the Trustees upon trust for the Beneficiary absolutely, and the balance so retained shall be subject to the powers and provisions of this Deed applicable to the Trust Fund. Any such retained income may, at any time, be paid or applied as if it were income arising in the then current year.

5 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 Beneficiary.

6 RECEIPT CLAUSE

In exercise of their powers under clauses 4 and 5, the Trustees may pay to the parents or a parent or guardian of the Beneficiary any sum of income to be applied for the Beneficiary's maintenance, education or benefit or any sum of capital to be applied for the Beneficiary's advancement or benefit without being responsible for seeing to its further application and the receipt of such parents, parent or guardian shall be a complete discharge to the Trustees.

7 APPOINTMENT OF NEW TRUSTEES

- 7.1 During the lifetime of the Settlor the power of appointing new trustees shall be vested in the Settlor.
- 7.2 A person may be appointed to be a trustee notwithstanding that such person is not resident in the United Kingdom. Remaining out of the United Kingdom for more than 12 months shall not be a ground for the removal of a trustee.
- 7.3 The minimum number of Trustees shall be one in the case of a trust corporation and two in any other case.

8 GOVERNING LAW

The governing law of this Trust shall be that of England and Wales. All rights under this Deed and its construction and effect shall be subject to the jurisdiction of the courts and construed according to the laws of England and Wales.

9 EXCLUDED PERSONS

Notwithstanding anything contained or implied in this Deed none of the powers authorities or discretions conferred on the Trustees or on any other persons shall at any time or in any circumstances whatsoever be exercisable in any manner which may benefit the Settlor or any spouse of the Settlor and no part of the capital or income of the Trust Fund shall at any time or in any circumstances be lent to or applied for the benefit of the Settlor or any spouse of the Settlor otherwise than by the repayment of any loan made by the Settlor to the Trustees.

10 ADMINISTRATIVE POWERS

The Trustees shall in addition and without prejudice to all statutory powers have the powers and immunities set out in this Deed in relation to the Trust Fund provided always that no power conferred on the Trustees shall be exercised so as to conflict with the beneficial provisions of this Deed and notwithstanding anything contained elsewhere in this Deed no powers or provisions hereby or by law conferred on any person or implied by law shall be capable of being exercised or operating in any manner such that (if the power was capable of being so exercised or operating) the existence of the same would prevent any person who would otherwise have an absolute interest in the Trust Fund from being entitled to an absolute interest in the Trust Fund or cause the provisions herein to constitute a settlement or the property subject to such provisions to constitute settled property for the purposes of the Inheritance Tax Act 1984 (or any statutory modification or re-enactment for the time being in force).

PART 2 - ADMINISTRATION PROVISIONS

The Trustees shall have all the following powers in addition to the powers conferred on them by law:

- 1 Power to invest any monies for the time being representing the Trust Fund or under the control of the Trustees in assets of whatsoever nature and wheresoever situate and whether producing income or not as the Trustees shall in their absolute discretion think fit without any need for diversification to the intent that the Trustees shall have the same full and unrestricted powers of investing and varying investments (including the power to sell investments and to reinvest the proceeds) in all respects as if they were absolutely and beneficially entitled thereto.
- 2 Power to borrow monies on such terms and conditions as they shall think fit and shall have power to use borrowed money for any purpose for which capital money comprised in the Trust Fund may for the time being be used including for the purpose of investment or application pursuant to the power conferred by paragraph 3 below.
- 3 Power to effect and maintain out of the income or capital of the Trust Fund any policy of insurance or assurance on the life of the Beneficiary or the Settlor or any other person with companies resident anywhere in the world and to surrender exchange or otherwise deal in all respects with such policy in such manner as the Trustees think fit.
- 4 Power to lend with or without security to the Beneficiary the whole or any part of the Trust Fund upon such terms and conditions as to interest (if any) and repayment and generally upon such terms as the Trustees shall in their absolute discretion think fit.
- 5 Power to exercise all privileges, elections and options conferred by or available under any asset held by the Trustees and to deal with them as if absolutely entitled to them.
- 6 Power to accept as a good and sufficient discharge a receipt given by a parent, guardian or attorney of the Beneficiary who is under a legal disability to whom or for whose benefit any payment of income or capital has been made.
- 7 Power to engage the services of such investment adviser or advisers ("the Investment Adviser") as the Trustees may from time to time think fit to advise the Trustees in respect of the investment and reinvestment of the Trust Fund with power for the Trustees without being liable for consequent loss to delegate to the Investment Adviser discretion to manage all or any part of the Trust Fund within the limits and for the periods stipulated by the Trustees and the Trustees shall settle the terms and conditions for the remuneration of the Investment Adviser and the reimbursement of the Investment Adviser's expenses as the Trustees shall in their absolute discretion think fit and such remuneration and expenses shall be paid by the Trustees From the Trust Fund.
- 8 Power to delegate to any function (including the exercise of any administrative, dispositive or other power and in particular any investment power) to any person (including nominees) for any period and on any terms without being liable for the acts or defaults of the delegate and in exercising this power the Trustees may confer on any person the power to sub-delegate to a third party.

- 9 Any Trustee being a solicitor or other person engaged in any profession or business shall be entitled to be paid all usual professional and business charges for business transacted, time expended and acts done by him or any employee or partner of his or his firm in connection with the trusts hereof including acts which a trustee not being in any profession or business could have done personally.
- 10 Any of the Trustees being a company shall be entitled to be remunerated for its work in such manner and on such terms as may be agreed in writing by the company and the persons appointing it to the office in question and any such agreement may provide for the manner in which the remuneration of the company may subsequently be varied and in the absence of such an agreement the company shall be entitled to remuneration for its work on the scale and in the manner shown in its published terms current at the date of its acceptance to the office in question.
- 11 Any Trustee shall be entitled to retain any brokerage or other commission which may be received personally or by such Trustee's firm in respect of any transaction carried out on behalf of the trust for which such Trustee or Trustee's firm is in the normal course of business allowed brokerage or commission.
- 12 No Trustee shall be liable for any loss to the Trust Fund arising by reason of any mistake or omission made in good faith by any trustee or for any loss caused by any improper investment made or retained in good faith.
- 13 The Trustees shall have power (i) to effect a transaction with the trustees of another trust or the executors or administrators of an estate even though one or more persons are common to the set of persons involved in the transaction and even if all the same persons constitute the sets of persons (ii) to sell an asset (or grant a lease) to one of their number so long as they act on the positive advice of a competent professional adviser and (iii) in circumstances not envisaged by the preceding sections of this paragraph, to exercise or join in exercising any power vested in them (whether the power is characterised as dispositive or administrative or otherwise) notwithstanding that all or any of them has a direct or other personal interest in the mode or result of exercising the power.
- 14 The Trustees shall have power by deed (i) to release or restrict the future exercise of any powers conferred on them by this Deed (including this power) or by law and (ii) to restrict the operation of any rights indemnities or immunities conferred on the Trustees or any of them (but not so as to prejudice any former trustee without his previous written consent).
- 15 The powers conferred upon the Trustees by this Deed or by law may be exercised by the majority of them.
- 16 The Trustees shall not be required to consult the Beneficiary as to the exercise of their powers and sections 11, 19 and 20 of the Trusts of Land and Appointment of Trustees Act 1996 shall not apply.
- 17 The Trustees shall have power to institute or defend legal proceedings, anywhere in the world, at the expense of trust monies and need not obtain directions from any court, nor authority from the Beneficiary.
- 18 The Trustees shall have power to take the opinion of legal advisers in any jurisdiction concerning any difference arising under this Trust; or any matter in any way relating to this Trust or to the Trustees' duties in connection with the trusts of this Deed and the cost and associated costs and expenses of obtaining such opinions shall (if such adviser is not an Excluded Person) be payable out of the Trust Fund. To the extent that the Trustees act in accordance with the opinion of such adviser the Trustees shall not be liable for any loss to the Trust Fund which may arise by or from so acting, provided that any action is taken in good faith and without neglect.
- 19 The Trustees shall have power, at such intervals as they consider appropriate, to cause the accounts kept by the Trustees in relation to the trust created by this Deed to be examined or audited by such person as the Trustees shall designate. The Trustees may (if such person is not an Excluded Person) pay the costs of such examination or audit out of the capital or income of the Trust Fund.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE EXECUTED THIS DEED THE DAY AND YEAR FIRST ABOVE WRITTEN

SIGNED AS A DEED BY (Settlor and First Trustee):

Name in full

SIGNATURE

In the presence of:

Name in full

SIGNATURE

Address

Street/N°

City/County Postcode

Country

Occupation

The Settlor/Investor is first named Trustee. The Settlor's signature should be witnessed by an independent third party.

SIGNED AS A DEED BY (Second Trustee):

Name in full

SIGNATURE

In the presence of:

Name in full

SIGNATURE

Address
Street/N°

City/County Postcode

Country

Occupation

Two additional Trustees can be named, usually other family members or an accountant/Solicitor. Each signature should be witnessed by an independent third party.

SIGNED AS A DEED BY (Third Trustee):

Name in full

SIGNATURE

In the presence of:

Name in full

SIGNATURE

Address
Street/N°

City/County Postcode

Country

Occupation

A WEALTH *of* DIFFERENCE

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Utmost Luxembourg S.A. is registered with R.C.S. under number B37604 and regulated by the Commissariat aux Assurances (CAA)
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