

Loan Trust Absolute Trust Declaration form

How to fill out this form

Please use black ink and CAPITAL LETTERS or tick as appropriate.

Any corrections must be initialled – don't use correction fluid as this will invalidate your application.

Some information before you start

The Prudential Assurance Company Limited, Prudential International Assurance plc and Prudential International Assurance plc, UK Branch, can't accept responsibility for the use of this draft form as its suitability depends upon each investor's own individual, separate circumstances. Before considering the use of any part of this form, the investor(s) should discuss matters with their legal adviser(s).

Information and references to law, legislation and tax treatment in this document and any accompanying brochure or other literature are based on Prudential and Prudential International's understanding of current law and legislation and HM Revenue & Customs practice. All of these are liable to change without notice and are likely to change in future. Any tax reliefs referred to are those currently available and may be subject to change and can depend on individual circumstances. Every care has been taken as to accuracy, but it must be appreciated that Prudential, Prudential International and their representatives cannot accept responsibility for loss, however caused, suffered by any person who has acted or refrained from acting as a result of any accompanying material published in or in conjunction with this draft trust instrument or from the use of the trust instrument itself. Full terms and conditions are available on request from Prudential or contact your Financial Adviser for more details.

Trustees – Trust Registration Service (TRS) requirements

By completing this form it means that you must comply with the requirements under the Trust Registration Service (TRS).

Before you start to complete the process, we recommend that you read this guide which will help you understand what is required: mandg.com/pru/adviser/trs

- **IMPORTANT: We will only be able to action your request when we have a complete and accurate Proof of Registration of the trust or the exemption reason, otherwise we will not be able to proceed further and may face a delay in actioning your request.**
- A copy of the Proof of Registration document dated within the last 30 days will need to be sent to us along with this form unless there is an exemption. In the absence of this document, or the exemption reason, subsequent transactions will be impacted, i.e. any claim payment(s) being made.
- All details of the trust on the TRS (such as trustees, beneficiary classes and named beneficiaries) must match what's held on the trust document.

If you need more general information, further details can be found at gov.uk/guidance/register-a-trust-as-a-trustee

Irish Central Register of Beneficial Ownership of Trusts (CRBOT) and Internal Trust Register

Prudential International Assurance (PIA) Bonds (with the exception of Prudential Onshore Portfolio Bond*): You'll need to register the trust on the Irish Central Register of Beneficial Ownership of Trusts (CRBOT). You also need to maintain an Internal Trust Register (ITR) and provide evidence of CRBOT and ITR to PIA.

If you need more information on CRBOT more details can be found on our website at: mandg.com/adviser/crbot

* For Prudential Onshore Portfolio Bond, please follow the UK TRS requirements in the above box.

Some information before you start – continued

Questions about this form?

If you have any questions while completing this application:

Advisers

- in the first instance, get in touch with your usual Prudential contact
- or please contact us on the relevant number in the table overleaf.

Policyholders

- please speak to your Financial Adviser

We might record your call for training and quality purposes.

Product	Return address	Contact number
Prudential Investment Plan, Flexible Investment Plan, PruFund Investment Plan, Legacy Prudential, Scottish Amicable and M&G bonds	Prudential, Lancing BN15 8GB	0808 234 0808
International Portfolio Bond	Prudential International Assurance, PO Box 5177, Worthing BN11 9HJ	0345 072 2009
Prudential Onshore Portfolio Bonds, Prudential International Investment Bond, Prudential International Investment Portfolio, Legacy Prudential International bonds	Prudential International Assurance, PO Box 13395, Chelmsford CM99 2GH	0808 234 2200

How to return this form

Please return to the relevant address in the table above.

Section 1 – The Settlor(s) and the Trustees

The Loan Agreement and this Declaration of Trust is made on the date shown at the start of Section 4 between:

- (1) the Settlor of the first part; and
- (2) the Initial Trustees of the second part.

Section 2 – The loan agreement

1. The Settlor hereby agrees to make the loan to the Initial Trustees.
2. The Settlor and the Initial Trustees hereby agree as follows:
 - (a) The loan may be effected by a cheque or cheques payable to the Insurance Company for the bond(s) indicated in the First Schedule or in some other form which puts the money the Trustees are borrowing into the control of the Trustees.
 - (b) The bond(s) shown in the First Schedule must be applied for by the Trustees.
 - (c) The loan shall be interest free and repayable on demand.
 - (d) If there are two Settlers the right to repayment of the loan shall belong to both of them jointly while they are both alive and then to the survivor of them ('the Survivor').
 - (e) On the death of the Settlor (or the Survivor) the loan (or so much of the loan as has not been repaid) shall be cancelled if the box in Section 4, First Schedule, has been ticked.

This will be a transfer within the scope of Inheritance Tax.

Section 3 – The trust

1. **The Trust Fund**
 - (1) Subject to the Settlor's right to repayment of the loan, the Trustees shall hold the Trust Fund upon the Trusts and with and subject to the powers and provisions declared and contained in the Trust Provisions for the benefit of the Beneficiaries.
 - (2) The Trust Provisions are hereby expressly incorporated in this Deed.
2. **Proper Law** – The proper law of this Trust (and of the Loan Agreement) shall be that indicated in the Third Schedule.

Section 4 – The schedules

The First Schedule: The bond(s) and the loan

Company: Prudential Assurance Company Limited/Prudential International Assurance plc, and or one or more of the other companies within the M&G plc Group

Type of bond

Please tick box if you wish the loan to be cancelled on the death of the Settlor (or the Survivor)

Date of Trustee application
(which should be dated after the trust deed)

D	D	M	M	Y	Y	Y	Y
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Loan amount

£

This is the date on which the Trustees apply for the bond investment.

**Section 5 – Signatures and date: to be completed and signed by the Settlor(s),
Additional Trustees and Witnesses– continued**

Leave 1(b) below blank if there is only one Settlor

In the presence of the Witness named below:

**(b) Signed as a Deed by the Additional Settlor
named below:** *(if there are two Settlers):*

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

(2) The Additional Trustee(s)

(the person(s) who will be the Initial Trustee(s) of the Trust with the Settlor)

**(a) Signed as a Deed by the other Additional Trustee
named below:**

In the presence of the Witness named below:

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

Leave 2(b) below blank if there is only one
Additional Trustee

**(b) Signed as a Deed by the Additional Trustee named
below:** *(if there are two Additional Trustees):*

In the presence of the Witness named below:

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

Signature

Name

Address

<input type="text"/>
<input type="text"/>
Postcode

Part 1: Definitions and interpretation

1. Definitions

'the Initial Trustees' means the Settlor and Additional Trustees.

'the Trust Fund' means (subject to the Settlor's right to repayment of the loan) the bond(s) referred to in the First Schedule to the Declaration of Trust and the property from time to time representing the same (and also includes any other property which may become Trust Property as a result of any loan to the Trustees or any addition by way of gift or any accumulation of income).

'Civil Partner' has the same meaning as in section 1 of the Civil Partnership Act 2004.

'Spouse' includes a Civil Partner.

'the Trust Provisions' means the 'Absolute Loan Trust Provisions' (appended to this Declaration).

'the loan' means whatever sum is due to the settlor in accordance with section 4.

'the Insurance Company' means the Insurance Company shown in the First Schedule.

2. The Beneficiaries

'The Beneficiaries' means:

The person or persons named in the Second Schedule.

Part 2: Trust Provisions

1. Beneficial Trust

1.1 The Trust Fund shall be held on trust for the Beneficiaries absolutely.

1.2 If there is more than one Beneficiary, the Trust Fund shall be held on trust for the Beneficiaries;

- (a) in the percentage shares specified in the Second Schedule absolutely, or
- (b) if no such shares are specified in equal shares absolutely.

1.3 Whilst any Beneficiary entitled to income under the Trust is a minor;

- (a) the Trustees may pay or apply the whole or any part of the income of such Beneficiary's share of the Trust Fund towards the maintenance, education or benefit of that Beneficiary as the Trustees in their absolute discretion think fit, and
- (b) the balance (if any) of such income shall be invested and retained (together with any resulting income) for the sole benefit of such beneficiary and the statutory provisions for accumulation and maintenance shall not apply.

2. Appointment, retirement and dismissal of Trustees

- (1) The power of appointing Trustees shall be exercisable by:
 - (a) the Settlor while living and of full mental capacity (and if there are two Settlers this shall mean both Settlers jointly while they are both alive, and then the Survivor).
 - (b) the Trustees (after the death of the Settlor or the Survivor).
- (2) Any appointment of new Trustees or retirement of existing Trustee shall be by Deed.
- (3) Part II of the Trusts of Land and Appointment of Trustees Act 1996 shall not apply to this Settlement.
- (4) The Settlor, while living and of full mental capacity, may dismiss by Deed any Trustee provided there remains at least one Trustee who is not the Settlor or the Settlor's spouse.
- (5) (a) Where the Settlor is alive and of full mental capacity, any Trustee may retire, provided there remains at least one Trustee who is not the Settlor or the Settlor's spouse.
(b) Where the Settlor has died or is not of full mental capacity and provided there is not a single Trustee, any Trustee may retire.

3. Settlor exclusion clause

- (1) Notwithstanding anything else in this Settlement (but subject to (2) below) the Trust Fund shall be possessed and enjoyed to the entire exclusion of the Settlor and of any benefit to him by contract or otherwise and no provision of this Settlement and no discretion or power shall operate so as to allow any of the capital or income of the Trust Fund to become payable to or applicable for the benefit of the Settlor in any circumstances whatsoever.
- (2) Nothing in this clause shall apply or operate so as to prohibit repayment of any loan from the Settlor to the Trustees.

Administrative Provisions

- (1) The Trustees may administer the Trust Fund for the benefit of the Beneficiaries in whatever manner they may determine and to that end shall have the widest possible powers (which they may exercise or omit to exercise from time to time at their absolute discretion) of managing and dealing with the Trust Fund and of carrying out any transaction in connection therewith in all respects as if the Trustees were the absolute beneficial owners thereof.
- (2) Without prejudice to the generality of paragraph 1, the Trustees shall have the power:
 - (i) to invest any money requiring investment in any property of whatever nature (including any policies of assurance or capital redemption contracts) and wherever situated whether producing income or not and upon such security (if any) as the Trustees shall in their absolute discretion think fit.
 - (ii) to borrow money on such terms as to interest repayment and otherwise as they may think fit and whether upon the security of the whole or any parts of the Trust Fund or upon personal security only.
 - (iii) to delegate any power or powers in making, managing, realising or otherwise dealing with any property included in the Trust Fund to any person or persons (but excluding the Settlor or the Settlor's spouse) 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.
 - (iv) to pay or transfer any capital or income to be paid to or applied for the benefit of a Beneficiary who is under a legal disability to any parent or guardian of that Beneficiary or to such person on behalf of such Beneficiary as the Trustees shall think fit 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.
- (3) The Trustees shall have the power by Deed or Deeds revocable during the Trust Period or irrevocable wholly or partly to release or restrict the future exercise 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.
- (4) The Trustees shall have power to deal with any policy of assurance or insurance as if they were the absolute owners of it and in particular may surrender, convert or exchange the same in whole or in part and exercise any power of election or option under a policy and borrow on its security and the receipt by the Trustees for any money payable under the said policy shall be a full and sufficient discharge.
- (5) Trustees Remuneration

A Trustee (other than the Settlor or Settlor's spouse) carrying on a business which consists of or includes the management of Trusts or advising Trustees may charge for work done by him or his firm in connection with the trust.
- (6) Liability of Trustees

A Trustee shall not be liable for a loss to the Trust Fund unless that loss was caused by his own fraud or negligence.

How we use your personal information

To understand how and why we use your personal information (including any sensitive personal information) that we collect from you, who we may share it with and your rights around your personal information you can review a copy of our Data Protection Notices:

- pru.co.uk/mydata-dc in respect of The Prudential Assurance Company Ltd bonds;
- pru.co.uk/mydata-pia in respect of Prudential International Assurance plc bonds and;
- pru.co.uk/mydata-piaon in respect of Prudential International Assurance plc, UK Branch bonds.
- pru.co.uk/mydata-ipb in respect of the International Portfolio Bond.

Alternatively, you can request a copy to be sent to you by writing to **The Data Protection Officer, Customer Service Centre, Lancing BN15 8GB** in respect of The Prudential Assurance Company Ltd bonds or for Prudential International Assurance plc bonds and Prudential International Assurance plc, UK Branch bonds by writing to **The Data Protection Officer, PO Box 13395, Chelmsford CM99 2GH**. For International Portfolio Bond, please write to **Prudential International, PO Box 5177, Worthing BN11 9HJ**.

Please note that we only collect personal information from you that is necessary to provide you with the product or service you have requested. So while we will not use your personal information for all of the purposes set out in the Data Protection Notice, we may need to use it, for example, to contact you further about your request or for legal or regulatory purposes.

pru.co.uk

pru.co.uk/international

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