

# Deed of Appointment of Additional Trustee(s)

**Important:** Execution of this document could affect the legal and personal tax position of the Parties. By providing this document, no member of the HSBC group is giving you advice, you and your trustees must seek your own legal and tax advice in connection with this document prior to entering into it. No member of the HSBC group shall be held liable for any loss occasioned by any failure to take such advice. This document is provided without any representation or warranty that it is suitable for use in your circumstances. No member of the HSBC group shall be held liable for the actions of yourself and your trustees based on the contents of this document.

# Deed of appointment of additional Trustee(s)

## Why use this Deed?

It's important that you appoint at least one additional trustee to act with you as soon as possible. If you die as the sole trustee there is no-one able to immediately act as trustee. This will delay payment out to the Beneficiaries.

The best number of trustees to have is between two and four.

## Who can be a trustee?

- anyone over 18 who is mentally capable
- in practice, you would usually choose trustees from your friends or family
- it's important to ensure the person being appointed is happy to accept the appointment to act as trustee.

## Can a beneficiary be a trustee?

- yes. However this gives rise to a conflict of interest and is best avoided
- such a conflict can be managed, if necessary, if there is at least one trustee who is not also a beneficiary.

## Can I appoint further trustees later?

- yes, under the terms of the trust you can appoint further trustees later. This needs to be by deed which you can request from us.

## Can I remove trustees?

- yes, you have this power under the trust deed. However, it is advisable when removing a trustee to appoint a new trustee in their place.

## Should I appoint my solicitor or other professional adviser as a trustee?

- it's up to you who you appoint as a trustee
- there is usually no need to appoint professional trustees, such as solicitors or accountants, as running the trust in most family circumstances is not complicated
- professionals may lack the personal knowledge of family circumstances
- you should also remember that if you appoint a professional trustee they will charge fees for dealing with the trust.

*For more information generally on trusts, including the duties and powers of trustees, please see our Guide to Trusts for Life Policies.*

day of  20  
**LEAVE BLANK**

Date

**Help Notes**

**PLEASE DO NOT DATE. The date will be inserted by HSBC Life (UK) Limited.**

**Parties**

Settlor (1) full name

of

Please insert full name(s) and home address(es).

The Settlor(s) is (are) the person(s) who created the Trust, usually the life/lives assured.

Full Home Address

and

Settlor (2) full name

of

The name and address boxes for Settlor (2) should be deleted if there is only one Settlor

Full Home Address

("the Settlor(s)") of the first part and

Trustee (1) full name

This (These) is (are) the person(s) who is (are) to be appointed as additional Trustees to act with the Settlor(s).

Trustee (1) date of birth

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of

Joint settlors may appoint up to two additional trustees and a sole settlor may appoint up to three additional trustees.

Full Home Address

and

Trustee (2) full name

Trustee (2) date of birth

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of

Full Home Address

and

Trustee (3) full name

Trustee (3) date of birth

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of

Full Home Address

("the Additional Trustee(s)") of the second part

**Background:**

- (A) This Deed is supplemental to a declaration of trust made by the Settlor(s) (“the Trust”) details of which are specified in Schedule 1 below.
- (B) The power of appointment of new or additional Trustees is exercisable by the Settlor(s) during his/her/ their lifetime(s).
- (C) The Settlor(s) is (are) the present Trustee(s) of the Trust.
- (D) The Settlor(s) wish(es) to appoint the Additional Trustee(s) to act with the Settlor(s) as Additional Trustee(s) of the Trust.
- (E) It is intended that the policy(ies) specified in Schedule 2 which is (are) the only property at present held by the Trustee(s) should be transferred to or under the control of the Settlor(s) and the Additional Trustee(s).

**Provisions:****1. Appointment of Trustees**

In exercise of the power conferred by the Trust and all other powers enabling him/her/them to do so (if any) the Settlor(s) hereby appoint(s) the Additional Trustee(s) as Trustee(s) of the Trust to act jointly with the present Trustee(s) as the trustees of the Trust and the Additional Trustees hereby accept their appointment.

**2. Assignment**

The Settlor(s) as the Trustee(s) hereby assign(s) the policy(ies) specified in Schedule 2 to the Settlor(s) and the Additional Trustee(s) to hold as Trustees and subject to the trusts and provisions of the Trust from time to time.

**3. Help Notes**

Help Notes are for reference only and do not affect the meaning of the provisions.

**Help Notes**

The background section details the effect of completing this Deed.

The Settlor(s) has (have) the power to appoint New or Additional Trustees.

This confirms that the Settlor(s) has (have) the power to appoint Trustees and that the Additional Trustee(s) is (are) appointed and consent to the appointment.

This changes the legal ownership from the Settlor(s) as trustees to the Settlor(s) together with the Additional Trustee(s).

**Help Notes**

Please insert full details as shown on the trust declaration and the Policy.

**Schedule 1**

Date the Trust was signed

This is the date on which the Settlor(s) signed the trust.

Made in respect of the following policy of assurance:

Life (lives) assured

  
  

This (these) may be different from the Settlor(s).

Type of Policy

- 1)
- 2)
- 3)

  
  

For example: **first direct** Life Insurance.

Insurance Company

Policy Number(s)

- 1)
- 2)
- 3)

  
  

These details will be shown on the original policy schedule. This deed can only be used for more than one policy if all policies are held in the same trust. The same person must be the Settlor of all the policies.

**Schedule 2**

Insurance Company

Policy Number(s)

- 1)
- 2)
- 3)

**SIGNED AND DELIVERED AS A DEED** on the date written above.

Signed as a Deed and Delivered by the Settlor (1)

Please sign here (Settlor)

in the presence of

Witness signature

Witness name

Witness address

Address

Signed as a Deed and Delivered by the New Trustee (1)

Please sign here (trustee)

in the presence of

Witness signature

Witness name

Witness address

Address

Signed as a Deed and Delivered by the New Trustee (3)

Please sign here (trustee 3)

in the presence of

Witness signature

Witness name

Witness address

Address

Signed as a Deed and Delivered by the Settlor (2)

Please sign here (Settlor 2)

in the presence of

Witness signature

Witness name

Witness address

Address

Signed as a Deed and Delivered by the New Trustee (2)

Please sign here (trustee 2)

in the presence of

Witness signature

Witness name

Witness address

Address

**Important – the witness must be independent of the trust. The person witnessing the signature(s) must not be the Settlor(s), Beneficiary(ies) or Trustee(s).**

Please return this deed to your local branch or direct to Customer Services Centre, HSBC Life (UK) Limited, PO Box 6176, Coventry CV3 9HN. After recording the details the original deed will be returned to you and should be kept by the Trustees.

## Technical Terms explained:

### Trust Terms

**Beneficiaries:** Everyone who is listed in the trust as potentially a beneficiary after your death (this includes those included in both Schedule A and Schedule B of the Flexible Trust Deed)

**Named Beneficiaries:** Those you specifically choose to benefit when you fill in the trust deed. They will benefit on your death unless you decide otherwise during your lifetime or circumstances change in the future. They are listed in Schedule A of the Flexible Trust Deed.

**Policy Holder:** The person who is paying for the policy. There might be two of you if it is a joint policy.

**Potential Beneficiaries:** The full list of all the potential beneficiaries: to allow for changes in your circumstances. For example, this includes all your grandchildren - including those not yet born. They are listed in Schedule B of the Flexible Trust Deed.

**The Settlor:** This is the Policy Holder - settlor is the technical term for someone who puts something into a trust. Again there will be two settlors if there are two Policy Holders.

**Trustees:** The individuals who deal with paying out the cash following your death. They have various duties and must follow the terms of the trust deed. They are chosen by you using our Deed of Appointment.

### Tax Terms

**Chargeable Event:** a liability to income tax may arise if a chargeable event occurs and a chargeable event gain (profit) arises. Chargeable events include; death of the life assured and full surrender, assignment for money's worth and withdrawals of more than 5% of the original premium per year.

**Chargeable lifetime transfer:** for inheritance tax purposes a gift (that is not otherwise exempt) made during life to a Flexible Trust where the value of the transfer is more than the available Nil Rate Band, so that Inheritance Tax is then payable on the gift.

**Inheritance Tax:** a tax which may be payable on certain transfers of assets, for example, a gift. It is also paid on death and on 10 year anniversaries of certain trusts.

**Nil Rate Band:** The amount of an individual's estate which is subject to inheritance tax at 0%.

**Estate:** The assets an individual has which are chargeable assets for inheritance tax purposes.