

## **GROUP LIFE ASSURANCE PLAN - TRUST DOCUMENTATION GUIDE NOTES**

### **DRAFT TRUST DEED AND RULES**

Principal Employer is a limited company, PLC, LLP, partnership or sole proprietor. Individual trustees and specified scheme administrator.

#### **Purpose**

- a) To establish a group life assurance scheme which is suitable for registering with HM Revenue & Customs under the Finance Act 2004 or,
- b) To establish a Excepted group life scheme, which is not registered but provides similar lump sum only qualifying benefits under Section 480(3) of the Income Tax (Trading and other Income) Act 2005

Where the employer is to act as trustee then a minimum of two officials, unless Articles of Association indicate otherwise, would be required to sign the deed. A Partnership or LLP should sign in accordance with their normal practice as per their partnership agreement.

A minimum of 3 individual trustees is recommended where the employer is not acting as trustee. This would normally also apply to sole traders.

The Deed is designed to accept participating employers from outset but a separate Deed of Participation is needed for associated employers which are to be included in the plan after it has been established.

#### **Important Notice**

This document is provided by Lutine as an example of the type of trust deed and rules wording generally thought suitable for the above purpose.

Lutine point out that it does not provide specialist documentation services relating to this type of deed. Neither Lutine, nor its officers and employees nor Lloyd's warrant that the deed will be suitable for the individual circumstances of any client, nor that the wording of the deed will be legally effective.

It is therefore strongly recommend that the wording of the Trust Deed and Rules be referred to your legal advisers for vetting, tailoring to your circumstances and engrossment.

#### **Notes on Completion of Deed**

##### **FRONT PAGE**

Dated – the date the Trust Deed is executed should be entered here

Please enter the Principal Employer / Principal Partnership full company name, Trustees full name and Participating Employers full company name as applicable.

Please enter the scheme name; this is normally the company name making reference to 'Group Life Assurance Scheme'. An alternative name and must be referred to accordingly throughout the trust as The Scheme Name.

##### **Second Page “THIS DEED”**

##### **THIS DEED IS MADE ON**

Enter the date the Trust is being established / issued (this is normally the commencement date of the scheme)

##### **BETWEEN**

(1) Enter the Principal Employers full company name, number & registered address as displayed on Companies House:-  
<http://wck2.companieshouse.gov.uk/a6a21abb89772ceda5f5cef5cab5aff5/wcframe?name=accessCompanyInfo>

(2) Enter Trustees full names, number & registered address as displayed on Companies House; if an independent Trustee is being appointed please enter residential addresses.

(3) If a Participating Employer is to be included, please enter company name, number & registered address. If there is no Participating Employer, please delete sentence 3.

#### **WHEREAS**

(A) Please enter the scheme name; once again this is normally the company name making reference to 'Group Life Assurance Scheme' where requested, do not delete or enter the scheme name under - (the "**scheme**").

(B) If there is no Participating Employer delete sentence C

#### **IN WITNESS**

Please enter details of required signatories in accordance with the Trust Deed. Company / Trustee(s) / Scheme Administrator are to sign in accordance with their normal practices. Partnerships must sign with two witnesses. It is assumed that two Partners have been given the power of attorney to sign for the other Partners.

**NB:** Partnerships, charities & sole traders may not be registered with Companies House & may not hold a company registration number. Where applicable please enter the full company or trading name & address.

#### **Shareholder and Partnership Protection**

Where Shareholder Protection or Partnership Protection Trust Documentation is being established, Assignment Documentation must also be completed.

All Trust Documentation must be signed and dated accordingly in order to execute correctly. Please forward a copy of the completed Deed of Declaration of Trust to Lutine Assurance for our record. It is also important that any subsequent deed amendments are copied to Lutine to ensure that they do not alter the basis of the cover in any way or delay the settlement of a claim.

Please note it is the Trustees responsibility to ensure the scheme rules are, and continue to be in line with the Trust.