

**ALWAYS CONTACT DAVIES SOLICITORS AND SEEK LEGAL ADVICE BEFORE
USING THIS FORM**

DATED 20

Discretionary Settlement

-of-

This settlement is made the

(1)

[
]

(2) (“the Settlor”) of the one part and

[

]

[

]

(“the Original Trustees”) of the other part.

Whereas:

This Settlement shall be known as the [] Discretionary Settlement
2006

Now this deed witnesses as follows:

1. Definitions

in this settlement:

a. “The Trustees” means the Original Trustees or the trustees of the
settlement for

the time being.

b. “The Trust Fund” means:

i. £5 and any other property transferred to the Trustees to
hold on the

terms of this Settlement; and

ii. All property from time to time representing the above.

c. “Trust Property” means any property comprised in the Trust Fund.

d. “The Trust Period” means the period of 80 years beginning with
the date of

Settlement
this Settlement. That is the perpetuity period applicable to this

under the rule against perpetuities.

e. “The Accumulation Period” means the period of 21 years beginning
with the

date of this Settlement.

- f. "The Beneficiaries" means:
- i. The children and descendants of the Settlor;
 - ii. The widower (whether or not remarried) of the Settlor;
 - iii. Any Person or class of Persons nominated to the Trustees

by:

- (1) the Settlor, or
- (2) two Beneficiaries (after the death of the Settlor) and

whose

nomination is accepted in writing by the Trustees.

- g. "Person" includes a person anywhere in the world and includes a Trustee.

2. Trust Income

Subject to the Overriding Powers below:

- a. The Trustees may accumulate the whole or part of the income of the Trust Fund during the Accumulation Period. That income shall be added to the Trust Fund.
- b. The Trustees shall pay or apply the remainder of the income to or for the benefit of any Beneficiaries, as the Trustees think fit, during the Trust Period.

3. Overriding Powers

The Trustees shall have the following powers during the Trust Period ("Overriding Powers"):

- a. Power of appointment:
 - i. The Trustees may appoint that they shall hold the Trust Fund for the benefit of any Beneficiaries, on such terms as the Trustees think fit.
 - ii. An appointment may create any provisions and in particular:
 - (1) discretionary trusts
 - (2) dispositive or administrative powers exercisable by any Person.
 - iii. An appointment shall be made by deed and may be revocable or irrevocable.

- b. Transfer of Trust Property to new settlement:
The Trustees may by deed declare that they hold any Trust Property on trust to Transfer it to trustees of a Qualifying Settlement, to hold on the terms of that Qualifying Settlement, freed and released from the terms of this Settlement.
“A Qualifying Settlement” here means any settlement, wherever established, under which every Person who may benefit is (or would if living be)
 - a Beneficiary of this Settlement.
 - c. Power of advancement:
The Trustees may pay or apply any Trust Property for the advancement or Benefit of any Beneficiary.

4. Default Clause

Subject to that, the Trust Fund shall be held on trust for such of the children of the Settlor living at the date of her death and if more than one in equal shares absolutely.

5. Appointment of Trustees

The power of appointing trustees is exercisable by the Settlor during her life.

6. Further Provisions

- a. The standard provisions of the Society of Trust and Estate Practitioners (1st Edition) shall apply with the deletion of paragraph 5.
- b. Section 11 Trusts of Land and Appointment of Trustees Act 1996 (consultation with beneficiaries) shall not apply.
- c. The Trustees may pay premiums of any insurance policy out of income.

7. Exclusion of Settlor and Spouse

Notwithstanding anything else in this Settlement, no power conferred by this settlement shall be exercisable, and no provision shall operate so as to allow Trust Property or its income to become payable to or applicable for the benefit of the Settlor or the Spouse of the Settlor in any circumstances whatsoever.

In witness of which the parties have signed below as a Deed.

SIGNED AS A DEED and delivered by

[]

in the presence of:-

SIGNED AS A DEED and delivered by

[]

in the presence of:-

SIGNED AS A DEED and delivered by

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in the presence of:-

SIGNED AS A DEED and delivered by

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in the presence of:-