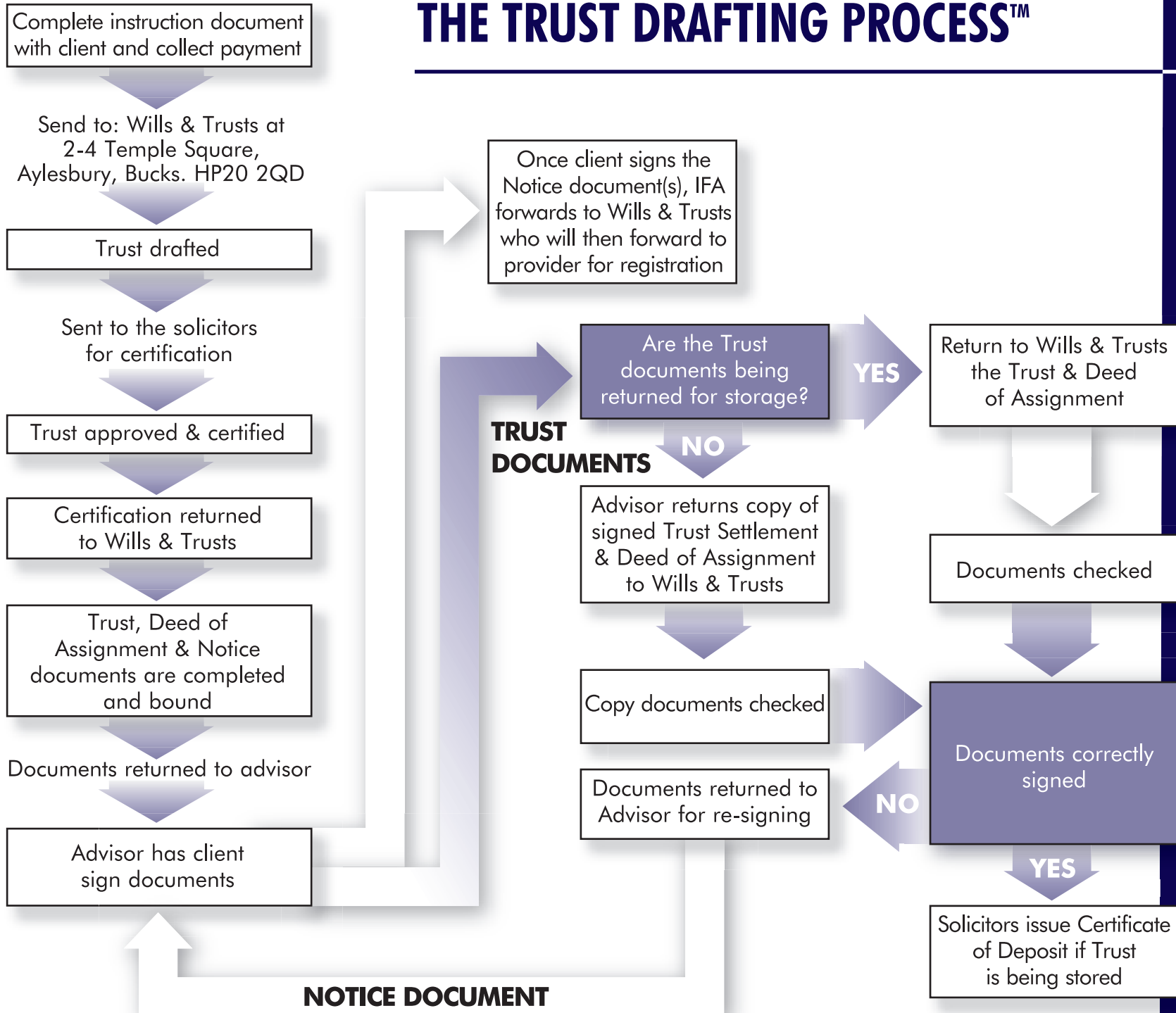


# THE TRUST DRAFTING PROCESS™

**WILLS&TRUSTS**

Independent Estate Planning Ltd



# TRUST APPLICATION MATRIX

Insurance	Type of Trust	Suggested Fee Range	IHT Effective	Special Notes
Mortgage related JLSD	MTG	Nil - £270	NO	All single insurances should be placed under trust. If children are under 18, remove spouse as beneficiary to be IHT effective JLFD policies are not IHT effective if settlor is beneficiary however placing them under an Assurance Trust will protect the benefits from creditor claims and re-marriage claims. All JLSD insurances should be placed under trust. If Deed of Assignment is not accepted because of scheme rules, the scheme nomination form should be used. Should only be held under trust if policyholder never wants to receive benefits. Critical Illness benefits are carved out and passed to the Settlor. The Company Director and/or Partners should be added as a class of beneficiaries.
Single Life, WOL, FIB, Term	ASS	£150 - £570	YES	
JLFD, WOL, FIB, Term	ASS	£170 - £670	YES/NO	
JLSD	ASS	£270 - £3000	YES	
DIS	APT	£Nil - £900	YES	
<b>SPECIAL CASES:</b> Endowment / MIP	ASS	£Nil - £900	YES/NO	
Critical Illness	ASS	£270 - £670	N/A	
Cross Option	ASS	£270 - £3000	N/A	
Pensions				
PPP + APP + AVC	APT	£250 - £1500	YES	Cannot be placed under trust.  Spouse can retain death benefit options. Can not be placed under trust. Protects only lump sum benefits. If scheme does not permit assignment a company letter of direction (Statement of Wishes) should be used. As only pension benefits provided and no lumpsum, no trust can be used.
Stakeholder	APT	£170 - £670	YES	
RAC	APT	£270 - £750	YES	
S32	NONE	NIL	NIL	
SIPP	APT	£270 - £1700	YES	
ERP	APT	£570 - £5000	YES	
Unsecured Pensions	APT	£270 - £950	YES	
ASP	NONE	NIL	NIL	
Occupational Money Purchase / SSAS / EPP	APT	£270 - £500	YES	
Occupational Final Salary	NONE	NONE	N/A	
Investments				
Onshore Bonds	ASS	£270 - £3500	YES/NO	If Settlor is beneficiary then no IHT benefits. Cannot be placed under English or Scottish trust. Can be held under trust but causes Income Tax implications, therefore not recommended. Can be held under trust but causes Income Tax implications, therefore not recommended. Can be held under trust but causes Income Tax implications, therefore not recommended.
Offshore Bonds	NONE	NONE	N/A	
Unit Trusts	Not Recommended	N/A		
OEICS	Not Recommended	N/A		
Investments Trusts	Not Recommended	N/A		

A provider cannot decline the assignment.

Once the trust is in place, no further policies/schemes can be added. A new trust must be written. All trusts regardless of IHT effectiveness can hold assets for up to 80 years.

For this reason they can protect against creditor claims and re-marriage/divorce. All trusts are written as Discretionary Trusts therefore if you require specific beneficiary directions a letter of wishes must be used.

Where more than one trust is used, it is recommended that each trust is signed on different days to avoid the connected transaction rule. We recommend no more than the nil rate band be placed in a single bond under trust.

## Type of Trust

The Assurance Trust™  
The Asset Preservation Trust™  
The Mortgage Trust™

ASS  
APT  
MTG

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## WILLS&TRUSTS

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