

LOAN AGREEMENT BETWEEN SETTLOR/DONOR/GRANTEE AND TRUSTEES



IMPORTANT NOTES – before completing the Loan Agreement between Settlor/Donor/Grantee to Trustees, please read the following notes.

1. This documentation has been produced for consideration by you and your legal advisers. The legal and any tax effects of the Loan Agreement will depend on your individual circumstances and CLIA(I) (as defined in Clause 4.3 of Part B of this Agreement) and its advisers accept no responsibility for ensuring that the Loan Agreement meets your requirements.
2. Under this Loan Agreement you (the Lender being the Settlor/Donor/Grantee of the Declaration of Trust) lend to the Trustees of your Trust on an interest free basis. The amount loaned is repayable on your demand. Please note that this Loan Agreement cannot pre-date the date of your Trust. The Trustees should include at least one person who is not the Lender.
3. The Lender should be aware of the potential tax implications of both making such a loan and on its repayment, and should seek legal advice before completing the Loan Agreement and before any loan demand for repayment is made.
4. Please note that CLIA(I) will only accept instructions from Trustees who have had their identities verified. We may need to also confirm the identity of other individuals relating to the Trust. We may do this by using reference agencies to search sources of information; this will not affect credit ratings. If this identity search fails, we may ask the parties for documents to confirm their identities. By signing this Loan Agreement, all parties to this Loan Agreement have consented that we can verify their identity and that, if required by CLIA(I), the Trustees will take all reasonable steps to obtain for CLIA(I) evidence of identification for any of the Beneficiaries of the Trust.
5. This Loan Agreement has been drafted to reflect the law as at 1 January 2010. CLIA(I) and its advisers cannot accept any responsibility for loss, damage or other claim that may arise from the use of this Loan Agreement or the way in which you complete it. We therefore strongly recommend that you consult your own legal adviser before proceeding.
6. Use CAPITALS and black or blue ink throughout. If you make a mistake while completing the Loan Agreement, please correct the error by crossing out (do not use correction fluid) and the Lender and all the Trustees should initial by the change.



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The Lender and the Trustees should read Important Notes on page 1 before completing the Loan Agreement between Lender and Trustees.

PART A. DATE OF LOAN AGREEMENT

INSERT date when last person signs on page 3.

THIS Loan Agreement is made on the day of 20
BETWEEN the Lender (1) and the Trustees (2)

PART B. DEFINITIONS

Please insert the full name of the Settlor/Donor/Grantee of the Declaration of Trust.

In the case of joint Lenders insert the full name of the second Lender.

If there is more than one Lender this Deed assumes that the Loan is made by the Lender in equal shares. If it is made in unequal shares the relevant percentages should be included in the "Percentage loaned" boxes which should otherwise be left empty. If these boxes are completed the total percentages must equal 100%.

Please insert the full name of the current Trustees.

Please insert details of the amount of the loan in Schedule 1.

1. The 'Lender' means

First (or sole) Lender

Second Lender

Full Name

Full Name

Percentage loaned

%

Percentage loaned

%

2. The 'Trustees'

Trustee 1

Trustee 2

Full Name

Full Name

Trustee 3

Trustee 4

Full Name

Full Name

3. The Sum' shall mean the sum specified in Schedule 1.

4. Construction

4.1 In this Loan Agreement words importing the singular shall include the plural and vice versa.

4.2 The Notes in the margin are for the purposes of information only and shall not be used in the construction of this Loan Agreement or any part of it.

4.3 CLIA(I) shall mean Canada Life International Assurance (Ireland) DAC.

PART C. RECITALS

Please insert details of the original Declaration of Trust in Schedule 2.

- The Trustees are the present trustees of the Declaration of Trust specified in Schedule 2 (the 'Declaration').
- The Declaration confers on the Trustees power to borrow money or assets on such terms and security as the Trustees think fit.
- The Lender is the Settlor/Donor/Grantee of the Declaration.
- It has been agreed that the Lender will make a loan to the Trustees on the following terms.

PART D. KEY PROVISIONS

- The Lender hereby lends the Sum to the Trustees (the 'Loan') (as the Trustees by their signature to this Deed acknowledge) on the following terms.
- Where there is more than one person comprising the Lender, the Loan shall be deemed to have been provided by them in equal shares unless otherwise indicated in Clause 1 of Part B.
- The Loan shall be interest free but repayable on the demand in writing of the Lender.
- Where the Loan has been demanded but remains unpaid interest shall accrue and be payable on the sum outstanding from and including the date of demand up to date of actual payment at a rate equivalent to the Base Rate of the Bank of England from time to time in force from the date upon which the same fell due until payment. The interest shall accrue from day to day.
- The liability of a Trustee in respect of the Loan shall not exceed the value of the Trust Fund (as defined in the Declaration) from time to time.
- However, a Trustee who distributes capital to a Beneficiary of the Declaration (as defined in the Declaration) shall continue to be liable in respect of the Loan to the extent of such distribution unless:
 - the Lender agrees otherwise; or
 - that Beneficiary agrees to repay to the Lender on demand an amount equal to the distribution.

SCHEDULE

Please insert the sum you intend to loan to the Trustees.

SCHEDULE 1 Sum Loaned

The sum of £

Please insert the details of the Declaration of Trust as indicated.

SCHEDULE 2 Details of the Declaration

Parties to the original Trust Deed: Please insert the names of the Settlor/Donor/Grantee and the Additional Trustees.

Parties to original Trust

Name of Company: Please insert Canada Life International Assurance (Ireland) DAC

Date of Trust

Name of Trust

Trust

Description of original Trust property

Name of Company

Policy Numbers

PART E. SIGNATURES

Please read all the margin notes before signing and leave boxes blank if not required.

If there is no Second Lender then leave the box blank.

The Lender (and any Second Lender) do not need to sign again in the Trustee boxes if they have signed the Lender box(es) above.

Date: Please add the date of signature. Once all the parties have signed, the last date on which a person signed should be inserted as the date of this Agreement in the box on page 2.

	First (or sole) Lender	Second Lender
1. Signed by the said Lender (full name)		
2. Signature		
3. Date of Signature		
	Trustee 1	Trustee 2
1. Signed by the said Trustee (full name)		
2. Signature		
3. Date of Signature		
	Trustee 3	Trustee 4
1. Signed by the said Trustee (full name)		
2. Signature		
3. Date of Signature		



For further information about Canada Life International Assurance (Ireland) DAC, please visit www.canadalifeinternational.ie or call us on +44 (0) 1624 820200.

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