

This document is intended for clients of financial advisers. It covers a complex subject and we recommend that you seek advice from your adviser.

The Discretionary Loan Trust

Fidelity Adviser
Solutions
Loan Agreement

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Loan Agreement

This Loan Agreement is made the*

day of in the year

*This date must not be earlier than the latest date of signature on pages 3-4 and should be at least one day after the date of the trust deed

Between
of

(hereinafter called "the Lender") of the one part

and the Lender and

of
and
of
and
of

(hereinafter called "the Trustees") of the other part.

Whereas

1. By a Deed of Trust dated (hereinafter called "the Trust"), the Lender covenanted to make a loan to the Trustees.
2. The Lender wishes to make a loan of £ in compliance with his covenant subject to the terms of this Agreement.
3. The Trustees agree that the making of the Loan subject to the provisions of this Agreement discharges the Lender covenant contained in the Trust.

NOW IT IS AGREED by the Lender and the Trustees that the Lender shall make the Loan to the Trustees in the manner described above and upon the following terms and conditions:

1. The loan shall be free of interest.
2. The loan shall be repayable by the Trustees upon demand made by the Lender in writing to the Trustees.
3. The lender may satisfy the Loan in whole or in part by providing the Trustees with a cheque drawn in favour of

to whom the Trustees have made or are about to make an application for a single premium life assurance policy or to whom the Trustees have applied to make an investment.

AS WITNESS this agreement has been entered into the day and year first above written

Lender's name

(Lender's signature)

In the presence of:

Witness' name:

(Witness' signature)

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

(Date signed)

Address

(Witness' occupation)

Trustee's name

(Trustee's signature)

In the presence of:

Witness' name:

(Witness' signature)

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

(Date signed)

Address

(Witness' occupation)

AS WITNESS this agreement has been entered into the day and year first above written

Trustee's name

(Trustee's signature)

In the presence of:

Witness' name:

(Witness' signature)

Address

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

(Date signed)

(Witness' occupation)

Trustee's name

(Trustee's signature)

In the presence of:

Witness' name:

(Witness' signature)

Address

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

(Date signed)

(Witness' occupation)

How to complete the Loan Agreement

Loan Agreement

This Loan Agreement is made the

day of in the year

Between

of

(hereinafter called "the Lender") of the one part
and the Lender and

of

and

of

and

of

(hereinafter called "the Trustees") of the other part.
*This date must not be earlier than the latest date of signature on pages 3-4 and should be at least one day after the date of the trust deed

Whereas

1. By a Deed of Trust dated (hereinafter called "the Trust"), the Lender covenanted to make a loan to the Trustees.
2. The Lender wishes to make a loan of £ in compliance with his covenant subject to the terms of this Agreement.
3. The Trustees agree that the making of the Loan subject to the provisions of this Agreement discharges the Lender covenant contained in the Trust.

The Loan Agreement

Insert the date of the Loan Agreement. **This date must not be earlier than the latest date of signature on the following pages and should be at least one day after the date of the trust deed.**

Insert the Lender's full name.

Insert the Lender's address.

Insert the first Trustee's full name. The Lender is automatically included as a Trustee and so his or her details do not need to be repeated.

Insert the first Trustee's address (if applicable).

Insert name and address details of further Trustees (as per first Trustee).

Insert the date of the Loan Trust deed.

Insert the amount of the Loan being made by the Lender.

NOW IT IS AGREED by the Lender and the Trustees that the Lender shall make the Loan to the Trustees in the manner described above and upon the following terms and conditions:

1. The loan shall be free of interest.
2. The loan shall be repayable by the Trustees upon demand made by the Lender in writing to the Trustees.
3. The lender may satisfy the Loan in whole or in part by providing the Trustees with a cheque drawn in favour of to whom the Trustees have made or are about to make an application for a single premium life assurance policy or to whom the Trustees have applied to make an investment.

AS WITNESS this agreement has been entered into the day and year first above written

Lender's name (Lender's signature)

In the presence of:

Witness' name: (Witness' signature)

(Date signed)

Address (Witness' occupation)

Trustee's name (Trustee's signature)

In the presence of:

Witness' name: (Witness' signature)

(Date signed)

Address (Witness' occupation)

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Insert the name of the payee of the cheque (the investment provider(s)) e.g. Fidelity.

The Lender and each Trustee must sign and complete the agreement where indicated. Each signature must be witnessed.

Insert the full name and signature of the relevant party.

The Witness must insert his or her full name and sign. The Witness must be an independent party to the Trust (i.e. he or she cannot be a Lender, Trustee or Beneficiary).

Insert the Witness' occupation.

Insert the Witness' address.

The Application Form

Where the establishment of this trust involves the setting up of a new investment for which the Trustees will be applying, please ensure that:

- The application for the investment is not dated before the date of the trust deed
- All Trustees are included and sign as applicants for the investment

Important information

Please note that tax laws may change in the future, which could affect the effectiveness of the Trust.

Once set up, a Trust may be difficult and/or costly to unwind if you decide that it is no longer suitable for your needs. You should consider this carefully with your legal adviser before proceeding. The Trustees are responsible for the ongoing administration of the Trust, including any relevant tax filings and payments. Your legal adviser can provide more information about a Trustee's ongoing responsibilities and duties in managing the Trust. Fidelity Adviser Solutions does not undertake trust administration services and will not be able to provide advice in relation to these activities. Fidelity Adviser Solutions cannot give advice regarding the legal or tax effects of the Trusts, and will not accept responsibility for any loss occurring from their use. Financial advisers and their clients are recommended to seek independent legal advice to ensure the trust meets their needs.

