

# DECLARATION OF TRUST

This Declaration of Trust is made on

\_\_\_\_\_ [Insert the date of this Declaration]

by

\_\_\_\_\_ [Full legal name of the Trustee, including company number if a corporate trustee]

(the "Trustee")

for the benefit of

\_\_\_\_\_ [Full legal name of the Beneficiary or Beneficiaries]

(the "Beneficiary" / "Beneficiaries")

## 1. Background

1.1 The Trustee, \_\_\_\_\_ [Full legal name of the Trustee], of \_\_\_\_\_ [Full address of the Trustee], is the legal owner of the property described in Clause 2 below (the "Trust Property").

1.2 The Trustee hereby declares that it holds the Trust Property on trust for the Beneficiary or Beneficiaries named in Clause 3, on the terms set out in this Declaration, in accordance with the Trustee Act 1925, the Trustee Act 2000, and all other applicable legislation.

## 2. Trust Property

2.1 The Trust Property subject to this Declaration is: \_\_\_\_\_ [Describe the trust property clearly and specifically. For land or buildings, state the full address and title number if registered at HM Land Registry. For shares or other assets, identify them with sufficient particularity to be unambiguous].

2.2 The Trustee confirms that the Trust Property was acquired on \_\_\_\_\_ [Insert the date on which the Trustee acquired the Trust Property] \_\_\_\_\_ [Select one and delete the other: (Option A) using funds provided solely by the Beneficiary. / (Option B) using funds as described in the Schedule to this Declaration].

### 3. Beneficiaries and Beneficial Interests

3.1 The Trustee holds the Trust Property on trust for the following Beneficiary or Beneficiaries in the shares or proportions set out below:

\_\_\_\_\_ [Full legal name of Beneficiary 1] Beneficial interest: \_\_\_\_\_  
[State the share or proportion of the beneficial interest held by this Beneficiary, e.g. 100%, one half, or such other share as agreed]

\_\_\_\_\_ [Full legal name of Beneficiary 2, or delete this line if there is only one Beneficiary] Beneficial interest: \_\_\_\_\_ [State the share or proportion of the beneficial interest held by this Beneficiary]

3.2 \_\_\_\_\_ [Select one option and delete the other: (Option A) The beneficial interests set out above are fixed and may not be varied without a further written declaration signed by all parties. / (Option B) The beneficial interests may be varied by written agreement signed by the Trustee and all Beneficiaries.]

### 4. Trustee's Obligations

4.1 The Trustee shall:

- (a) hold the Trust Property solely for the benefit of the Beneficiary or Beneficiaries in accordance with this Declaration;
- (b) deal with the Trust Property only in accordance with the written instructions of the Beneficiary or, where there is more than one Beneficiary, in accordance with their joint written instructions;
- (c) not dispose of, mortgage, charge, or otherwise encumber the Trust Property without the prior written consent of all Beneficiaries;
- (d) account to the Beneficiary or Beneficiaries for all income, proceeds, and benefits derived from the Trust Property; and
- (e) execute all documents and take all steps reasonably required to give effect to this Declaration or to transfer the Trust Property to the Beneficiary or Beneficiaries upon demand.

4.2 The Trustee shall keep the Trust Property separate from its own assets and shall not use the Trust Property for its own benefit.

## **5. Income and Outgoings**

5.1 All income arising from the Trust Property shall be paid to or applied for the benefit of the Beneficiary or Beneficiaries in proportion to their respective beneficial interests, unless the Beneficiaries otherwise direct in writing.

5.2 All costs, expenses, and outgoings relating to the Trust Property, including \_\_\_\_\_ [List the types of outgoings to be covered, e.g. mortgage payments, insurance premiums, maintenance costs, and council tax, or state that all outgoings shall be borne by the Beneficiaries in proportion to their beneficial interests], shall be borne by the Beneficiary or Beneficiaries in proportion to their respective beneficial interests, unless otherwise agreed in writing.

## **6. Transfer to Beneficiary**

6.1 The Trustee shall, upon the written request of the Beneficiary or, where there is more than one Beneficiary, upon the joint written request of all Beneficiaries, transfer or procure the transfer of the Trust Property (or the relevant share thereof) to the Beneficiary or Beneficiaries or to such person as the Beneficiary or Beneficiaries may direct.

6.2 The Trustee shall execute all such documents and do all such things as may be necessary to give effect to any such transfer promptly and at no cost to the Beneficiaries beyond the Trustee's reasonable out-of-pocket expenses.

## **7. Indemnity**

7.1 The Beneficiary or Beneficiaries shall indemnify the Trustee against all costs, liabilities, and expenses properly and reasonably incurred by the Trustee in connection with the Trust Property or the performance of the Trustee's obligations under this Declaration, except where such costs, liabilities, or expenses arise from the Trustee's own negligence, wilful default, or breach of this Declaration.

## **8. Land Registry and Stamp Duty**

8.1 Where the Trust Property comprises land or an interest in land registered at HM Land Registry, the parties acknowledge that this Declaration may need to be noted or registered at HM Land Registry and that applicable land registration rules and requirements must be complied with.

8.2 The parties acknowledge that this Declaration may give rise to obligations to pay Stamp Duty Land Tax or other applicable taxes, and the Beneficiary or Beneficiaries shall be responsible for taking appropriate tax advice and complying with all applicable tax obligations arising in connection with this Declaration.

## **9. Governing Law and Jurisdiction**

9.1 This Declaration and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it shall be governed by and construed in accordance with the law of England and Wales.

9.2 Each party irrevocably submits to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with this Declaration.

## **10. General**

10.1 This Declaration constitutes the entire agreement between the parties in relation to its subject matter and supersedes all prior agreements and understandings.

10.2 This Declaration may only be amended by a written document signed by the Trustee and all Beneficiaries.

10.3 If any provision of this Declaration is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

THIS DECLARATION is executed as a deed by the Trustee on the date first written above.

EXECUTED AS A DEED by the Trustee:

\_\_\_\_\_ [Full legal name of the Trustee]

\_\_\_\_\_  
Signature of Trustee / Authorised Signatory

Name: \_\_\_\_\_ [Print full name of signatory]

Title: \_\_\_\_\_ [Title or position, if signing on behalf of a company or corporate trustee]

Date: \_\_\_\_\_ [Date of execution]

In the presence of:

\_\_\_\_\_

Witness signature

Witness name: \_\_\_\_\_ [Print full name of witness]

Witness address: \_\_\_\_\_ [Full address of witness]

Date: \_\_\_\_\_ [Date of witnessing]

ACKNOWLEDGED by the Beneficiary or Beneficiaries:

\_\_\_\_\_ [Full legal name of Beneficiary 1]

\_\_\_\_\_

Signature

Name: \_\_\_\_\_ [Print full name of Beneficiary 1 or authorised signatory]

Date: \_\_\_\_\_ [Date of acknowledgement]

\_\_\_\_\_ [Repeat the above block for each additional Beneficiary, or delete if there is only one Beneficiary]

*This document does not constitute legal advice and is provided for general informational purposes only. Declarations of trust may have significant legal, tax, and land registration consequences, including potential liability to Stamp Duty Land Tax, Capital Gains Tax, and Inheritance Tax. Where the Trust Property comprises land or an interest in land, specific requirements under the Land Registration Act 2002 and HM Land Registry practice may apply. The law of trusts in England and Wales is principally governed by the Trustee Act 1925, the Trustee Act 2000, and the Law of Property Act 1925. A qualified legal professional and, where appropriate, a tax adviser should be consulted before entering into or relying upon any declaration of trust.*