Settlement deed (deed of trust): example outline

For when a person (the settlor) transfers property to trustees to hold on charitable trust. Version 0.1.

> For information only. This is an example outline to show the shape of the document, not a document ready to sign, and not legal or tax advice. The law differs between England and Wales, Scotland, Northern Ireland and other countries. Have a qualified solicitor draft or review the final version, and check charity and tax registration with the Charity Commission (or your regulator) and HMRC, before anyone signs, gives or relies on it. Replace every [bracketed] item.

1. Parties

Date of this deed

Settlor (the person transferring the property)

Trustees (at least two, with full names and addresses)

Name of the trust

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2. The settlement

1. The settlor transfers the property in the schedule to the trustees, to hold on the trusts in this deed.
2. The trustees accept the property and agree to act in line with this deed and charity law.
3. Further property may be added by the settlor or anyone else, on the same terms.

3. Purposes

Charitable purposes

Area of benefit

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4. Capital and income

1. [Choose one: the capital is a permanent endowment and only income may be spent / the trustees may spend capital and income for the purposes.]

2. Income not paid out in a year may be added to capital.

5. Trustees

1. Trustees serve for [three] years and may be reappointed.
2. New trustees are appointed by resolution of the existing trustees.
3. Trustees are not paid for being trustees, but may claim reasonable expenses.
4. Decisions are taken by a majority at a quorate meeting of [two-thirds] of the trustees.

6. Ending the trust

If the trust ends, anything left after debts is passed to another charity with similar purposes, chosen by the trustees, and never to the settlor or the trustees.

7. Signatures

Signed as a deed by the settlor

Signed as a deed by each trustee

Witnesses

Schedule

Property transferred
