

DEED OF VARIATION (DOV) PLAN**ACTION OF THE DOV**

The DOV will redirect the desired assets into a Discretionary Trust. **In executing this Deed the existing Beneficiary must understand that they are giving up their absolute right to their inheritance** and future distributions will be at the discretion of the Trustees.

Full name of the deceased person whose estate is to be varied Title

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Full Address (including Postcode)

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Deceased's relationship to Settlor

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Date of death

	/		/	
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Settlor Details

IMPORTANT Is the Settlor UK domiciled and long-term resident for IHT purposes?

Yes

No

If no, please provide details on Notes page.

Title

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Full name

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Address

--

Tel.

--

Postcode

--

Date of birth

--

Email address

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TRUSTEES

We suggest you look to having a minimum of three Trustees and preferably four. Family members over the age of 18, peers or family friends are typically used.

Overseas Trustees - Please note that appointing an overseas resident as Trustee may have tax or reporting consequences, and you should take local advice based on current taxation laws as to any adverse tax implications, or reporting requirements, of being a Trustee.

Trustee 1 (if the Settlor, please write Settlor as full name)

Title

Full name

Address

Date of birth

Postcode

Trustee 2 (compulsory)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Trustee 3 (recommended)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Trustee 4 (optional)

Title

Full name

Address

Date of birth

Postcode

Relationship to Settlor

Please select the 'Lead Trustee'?

Trustee 1

Trustee 2

Trustee 3

Trustee 4

NI Number

Country of nationality

UK

Other

D.O.B.

Email

Tel.

Please complete instructions for DOV

Please confirm the following documents are included with the application:

Copy of the Deceased's Will

Copy of the Death Certificate

Copy of the Grant of Probate (if applicable)

IHT Form or Estate Accounts (if applicable)

Trust Property

Please confirm if the whole of the Settlor's interest in the deceased estate is being varied or if a partial variation is to be made. Please provide details of entire interest received and what is to be varied, including values.

Entire Interest

OR

Part Interest

Description of assets

Please provide details of any property to be varied and note that if Land Registry services are required, there will be an additional cost for this.

Please note that more than one box can be selected.

Property

Liquid Cash

Investments

Asset(s) Description	Value of Asset(s)	Inherited by Will or survivorship

If the asset is property:

Has the property been retained?

Has the property been sold?

Has a property been bought with sale proceeds?

Has the RNRB allowance been claimed against the estate? (if yes, please confirm amount claimed)

Yes No

Amount if claimed:

TRUST BENEFICIARIES

The Trust to be drafted will be a Discretionary Trust; the Beneficiaries under the Trust are discretionary Beneficiaries. With a Discretionary Trust, the **Trustees decide** the detail of **who** benefits from the trust, and **when** they benefit, from those classes or named Beneficiaries defined below.

The following classes will be potential Beneficiaries in all Trusts drafted unless the Settlor wishes to exclude them. Please add to these classes of Beneficiaries as required. If you wish to exclude a standard class of Beneficiary, please explain this alongside the box.

Settlor

Children of the Settlor

Grandchildren of the Settlor

Further Beneficiaries

Select the following boxes **ONLY** if the Beneficiaries are to be **INCLUDED**.

If there is only one person within a class e.g. one brother, then this person must be named in full.

Please give full names and addresses below. Not providing these details may result in drafting errors.

Widow/Widower

Brothers/Sisters

Nephews/Nieces

Parents

Friend

Details of further Beneficiaries

DOCUMENT STORAGE

If the client would like to use our secure storage service please indicate below.

Storage

8 years

Storage not required

DATA PROTECTION STATEMENT

Solidus IEP Ltd ("**Solidus**") is totally committed to full compliance with the requirements of the General Data Protection Regulations ("**GDPR**") and the Data Protection Act and will follow procedures which aim to ensure that all employees and legal and professional partners, who have access to any personal data held by or on behalf of Solidus, are fully aware of and abide by their duties under GDPR.

Solidus, in respect of its business purpose, needs to collect and use information from Licensees and their referred clients in order to operate and carry out its function. This information is handled and dealt with properly however it is collected, recorded and used and whether it is held on paper or within computer data records.

CLIENT AUTHORISATION

I hereby instruct Solidus to draft the relevant documentation and acknowledge that Solidus will instruct their legal partners to review the drafted documentation. I agree to pay the costs even if I fail to complete the planning.

For the purpose of compliance with Data Protection Laws, I consent to Solidus holding my personal details, together with those of all parties named in my planning. These details will only be used by Solidus for the purpose of this planning and will never be sold to or shared with third parties for the purpose of marketing.

Following the completion of this planning, I authorise Solidus or their legal partners to contact me directly if there is a requirement which I, or the Trustees, need to be made aware of.

Print Name

Signature

Date

ADVISER'S CONFIRMATION

As the Financial Adviser to the above Client(s) I understand that I am responsible for the advice, signing and witnessing of the documentation.

I agree to all aspects of the planning being reviewed by Solidus' legal partners if required.

Please prepare the documentation under existing law and I accept Solidus' Terms of Engagement which are available in the Licensee area of their Website.

Sending this application form via email, with or without signature, also constitutes my agreement to the above terms.

Print Name

Signature

Date

DEED OF VARIATION (DOV) PLAN

If an individual dies intestate or without protective planning in place, it is usually possible to deliver benefits to Clients by means of a DOV. The planning works by varying the Client's interest in the Will, intestacy or survivorship to make an inheritance tax effective gift to Trust. It must be carried out within two years of the date of death of the individual. Specific advice must be taken regarding situations such as local authorities, divorces etc.

The DOV solution is an increasingly popular planning solution for many families who have been unable to establish lifetime planning.

It should be noted that, if the Will includes gifts of residue to minors, retrospective planning may not be possible.

The key advantages of the planning include:

- Potential protection of the inherited assets from third party claims.
- Funds can be retained within the Trust for the duration of the 125 year perpetuity period providing long term legacy benefits for future generations.
- Generational inheritance tax benefits may be achieved.
- Probate fees for Beneficiaries may be reduced.

Planning must be completed within a strict **two year period from the date of death** of the individual.

Instructions

- Ensure that it is within two years of the date of death.
- Confirm with the Client that they understand the benefits and that they are giving up their absolute right to their varied inheritance. The Client must read the tax considerations on the relevant page.
- Include a copy of the death certificate, Grant of Probate (if applicable), copy of the Will and the IHT form (400) (if applicable) and confirm what variation is required and the value to be varied. Contact Solidus if you need guidance.
- Complete the Settlor, Trustees and Beneficiaries details in full.
- We suggest you look to having a minimum of three Trustees and preferably four, however this is not a legal requirement.
- The Client must read and sign the instructions.
- Please countersign as the Adviser.
- Please confirm storage requirements for the final signed documents.

Please return this application to:

By post:

Solidus IEP Ltd, Premier House,
1-5 Argyle Way, Stevenage,
SG1 2AD

By email:

applications@solidustrusts.co.uk

Please note if the application is not fully and clearly completed it may cause delays.

Tax Considerations

In executing a DOV, they must recognise that they are giving up their absolute right to the assets you were due to inherit in favour of a discretionary Trust. They may be listed as a Beneficiary of the DOV Trust but any distribution you receive will be at the Trustees' discretion.

Inheritance Tax (IHT)

The DOV has been designed to take advantage of specific legislation that allows for the retrospective treatment of the variation for IHT purposes.

Under these provisions, the variation is treated as having been made by the deceased and is effective from the date of their death, rather than being made by you as the original Beneficiary. This means that for IHT purposes, the assets varied by the DOV do not need to be considered as ever having entered your estate.

Capital Gains Tax (CGT)

The DOV will also be drafted to take advantage of legislation allowing for the retrospective treatment of the variation for CGT purposes.

Again, this means that for CGT purposes, the assets varied by the DOV will be deemed to have passed directly from the deceased to the DOV Trust on the date of their death.

Occasionally, there may be circumstances where this retrospective treatment for CGT is not advantageous. For example, if the assets have achieved a large capital gain or loss between the date of death and the date the DOV is executed.

If this applies to the Client, please ensure you have discussed the implications and let us know if you would prefer not to elect for retrospective treatment of the variation for CGT.

Income Tax (IT)

It must be noted that this retrospective taxation treatment only applies to IHT and CGT. For IT purposes, the DOV would only be effective from the date it was executed.

Therefore, the original Beneficiary, would be assessed on any income from the assets from the date of death to the DOV and the new Beneficiary (the Trust) would be assessed on any income from the assets after the variation.

For IT purposes, the person who is varying their interest in the inheritance would be considered as the Settlor of the DOV Trust. The Beneficiaries of the DOV Trust must consider the income tax anti-avoidance provisions.

These provisions mean that they will be liable for paying any IT arising on the trust assets if they, their spouse or civil partner retain an interest in the Trust or if income payments are made to any unmarried children or stepchildren under the age of 18.

If you believe your Client may be caught under these provisions, please discuss before executing the DOV and seek appropriate advice e.g. an accountant.