DEED TO WAIVE AN OUTSTANDING LOAN

The purpose of this deed is to waive repayment of some or all of the outstanding loan under an RL360 Loan Trust.

This deed is provided as a draft to be considered by you and your professional adviser. We can accept no responsibility for the tax or any other consequences arising out of you executing this deed, or for ensuring that the deed meets with your requirements.

When this loan waiver deed is complete, it should be retained by the lender(s), with a copy being provided to RL360.

UK Inheritance Tax Consequences – Any waiver of the loan by the lender(s) will be a transfer of value for UK Inheritance tax purposes (IHT).

Discretionary Trusts – Where the amount of the loan being waived exceeds any available UK annual exemption(s), the excess will be a chargeable lifetime transfer (CLT).

Care should be taken, not to exceed the current IHT Nil Rate Band (NRB), including any transfers into discretionary trusts in the past 7 years.

If the cumulative amount exceeds the NRB, the excess will be subject to the lifetime inheritance tax rate of 20% (25% if paid by the Lender).

Absolute/Bare Trusts - Where the amount of the loan being waived exceeds any available UK annual exemption(s), the excess will be a potentially exempt transfer (PET).

We strongly recommend that you discuss the potential tax implications with your professional adviser.

RL360°

A. DECLARATION

This Deed is made on the ☐☐ ☐☐ ☐☐☐☐ (dd/mm/yyyy)

You must date this deed using the date that the last person signs.

B. RL360 PLAN NUMBER

C. THE PARTIES

Between

Lender(s)

Full name		
Residential address and postcode		

("the Lender(s)") of the first part and

	Trustee 1	**Trustee 2**
Full name		
Residential address and postcode		

	Trustee 3	**Trustee 4**
Full name		
Residential address and postcode		

("the Trustees") of the second part

D. WHEREAS

1. The Settlor(s) declared a trust dated (dd/mm/yyyy) ☐☐ ☐☐ ☐☐☐☐ ("the Trust)
2. By a loan agreement dated DD/MM/YYYY the Lender(s) lent the Trustees the sum of £ (the "Loan")
3. The Settlor(s) in accordance with the terms of the loan agreement can at any time demand repayment of the whole or any part of the outstanding loan (original loan minus any repayments already paid).
4. The Lender(s) now wishes/wish to irrevocably waive their right to repayment of £

Where there is more than one Lender, the repayment amounts shall be deemed to have been waived equally.

NOW THIS DEED WITNESSES

1. The Lender(s) irrevocably waives/waive their right to repayment of the outstanding loan amount and releases the Trustees from their obligation to repay the outstanding amount.
2. The trustees acknowledge that they shall treat the outstanding loan amount as an absolute gift and hold it in accordance with the terms of the Trust.

E. SIGNATURES

Each signature must be witnessed by an independent person, who is aged 18 or over and is not a party to the trust.

If the lender is also a trustee, they will need to sign as the lender and also again as a trustee.

Signed and delivered as a Deed by the Lender

Full name

Residential address

Signature

Witness

Full name

Occupation

Residential address

Signature

Trustee Signatures - each Trustee must sign below

	Trustee 1	Trustee 2
Full name		
Residential address		
Signature		
Witness		
Full name		
Occupation		
Residential address		
Signature		

	Trustee 3	Trustee 4
Full name		
Occupation		
Residential address		
Signature		

Witness

Full name		
Occupation		
Residential address		
Signature		

OR in the case of a corporate trustee:

Executed as a deed by

Name of company	

	Authorised Signatory 1	Authorised Signatory 2
Full name		
Signature		

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