

Trust Accounts

Bath Building Society

We're different because you are

Contents

How a Trust Account works	3
Who can use our Trust Account	4
Trust definitions	4
Trust deeds	5
Types of Trust explained	6
Setting up a Trust	7

We have designed this brochure to help you understand more about Trusts and how to set up a Trust Account. We are here to help you through the process of understanding how our accounts operate, and what you need to do in order to open an account.

You can call our customer service team on 01225 423271 Monday to Friday, 9am to 5pm to discuss your requirements, or alternatively, visit us in one of our Bath Branches, if you would prefer to talk to someone face-to-face.

How a Trust Account works

Opening a Trust Account

To open a new Trust Account, we need:

- A completed Trust application form
- All Trustees to have signed the application form. This includes an Execution Only declaration
- A copy of the Trust Deed or Will
- ID for all Trustees and Beneficiaries
- A Death Certificate for a Will Trust
- The HMRC Trust registration confirmation form. This should have been provided to you as proof of the registration from HMRC. If the Trust is not registered, we will need an explanation as to why it does not need to be, preferably with confirmation from a solicitor (this can be in the form of an email).

Trust Account Rules

All withdrawals and any closures will need to be part of the terms of the Trust deed.
We will only make payments to:

- HM Revenue & Customs
- A Trustee or Beneficiary named on the account
- A person or company specified in the Trust deed as being able to receive money from the Trust.

Sending Instructions for Transactions

You can also ask us to make an electronic payment to your nominated account. This can be done through Live Chat on Bath Online or the Mobile App, or in a Branch. You can also send us a signed letter in the post, or telephone our customer service team. **You cannot withdraw money or close your Trust account with us within the first six months after the account is opened.**

Managing the Trust Account

You can view details of the accounts you hold with us through Bath Online, or by using our Mobile App. You can register for Bath Online on our website, and you can register for the Mobile App on your smartphone. You can also ask for a passbook to be sent to you. You will need this if you want to withdraw or deposit money in our Branches.

Amending a Trust Account
To change Trustees, we need a completed Change of Signatories form and a copy of the Deed of Retirement or Amendment. You can get a Change of Signatories form from our customer service team.

Closing a Trust Account
To close your Trust Account, we need a signed request to withdraw the remaining funds from the account. More information on transactions can be found in the **Sending Instructions for Transactions** section on page 3.

Who can use our Trust Account?

Our Trust Account can be used by any of the following UK based Trusts:

- Will Trusts
- Bare or Simple Trusts
- Life Interest Trusts
- Personal Injury Trusts
- Charitable Trusts.

We do not accept Discretionary Trusts or any Trusts with discretionary elements.
An example of a discretionary element is where Beneficiaries are not explicitly named in the Trust Deed and are noted by class of beneficiary, such as 'the grandchildren'.
A further example would be where Trustees are able to add or remove Beneficiaries.

We also do not accept Non-resident Trusts.

Trust Definitions

A Trust is a legal arrangement where one or more Trustees hold funds or assets for the benefit of one or more Beneficiaries. There are different reasons for a Trust to be set up, and so there are different types of Trust. What type of Trust is used is largely up to the Settlor.

Our Trust Account has a variable interest rate and no access for the first six months. There are a maximum of two withdrawals each month. After the first six months, you have instant access to the funds up to twice each month. The rate can move up or down, and the account can be withdrawn without notice.

Full details of rates and terms can be found on our website:
www.bathbuildingsociety.co.uk

Settlor – This is the person or entity who creates the Trust and makes a gift to the Trust. They can also be known as the Donor, Grantor, Trustor or Trust Maker. They legally transfer control of an asset to a Trustee, and they decide who the Trustees and Beneficiaries will be.

Beneficiaries – These are the people that the Settlor wants to receive the money that they have put into the Trust.

Trustees – These are the legal owners of the assets held in a trust. Their role is to deal with the assets according to the Settlor's wishes, as set out in the Trust Deed or Will. They manage the trust on a day-to-day basis.

Trust Deeds

The Trust Deed will give a name to the Trust. It will also name the Settlor, and will show the date that the Trust was created. Trustees and Beneficiaries will also be named, as well as a Solicitor firm if necessary. In some cases, the Settlor's Will replaces the need for a Trust Deed.

The Trust Deed sets out the rules for the Trust to operate within, and that all Trustees must follow. All withdrawals and any closures with us will need to be part of the rules of the Trust Deed.

If the Trust Deed is changed, you must give us a copy of the Deed of Amendment or Retirement. If this has happened before you open an account with us, you should give us these documents when applying for a Trust Account.

Types of Trust explained

There are many different types of Trust that can be set up:

Will Trusts

- A Will Trust is any Trust created by an individual's Will
- They may be used to reduce Inheritance Tax
- The Settlor's Will document replaces the usual Trust Deed.

Charitable Trusts

- They can be created for an educational or scientific purpose, as an example, and are organised as a legal charity
- They must have a charitable purpose and public benefit
- Tax on a Charitable Trust may be paid gross of tax
- The Charity Commission is able to provide advice on Charitable Trusts.

Personal Injury Trusts

- The source of the Trust funding defines this type of Trust
- They are funded by an award of compensation for a personal injury
- The Settlor or person funding the Trust will usually be the injured party
- Personal Injury Trusts may be set up as Bare, Life Interest or Discretionary Trusts
  We do not accept applications for Discretionary Personal Injury Trusts.

Simple/Bare Trusts

- The Beneficiary has a right to both income and capital from these types of Trust
  The Beneficiary also has a right to withdraw all the income and capital if they are 18 or over
- The Beneficiary is entitled to take ownership and control of the Trust
- Trustees act as nominees for the Beneficiary and must act according to their instructions.

Life Interest Trusts

- Beneficiaries are known as 'life tenants'
- Income will be paid to one or more Beneficiaries in fixed proportions
- At the end of a defined period of time, such as when the Beneficiary dies, their Life Interest will end
- At the end of one Life Interest, another Beneficiary will become entitled to the Trust assets. At this point, they will be granted their own Life Interest.

Setting up a Trust

To set up a new Trust, it is important to think about:

- Who would you like to be the Trustees?
- Who would you like to benefit from the Trust funds? This could be children or grandchildren, for example
- How and when should the funds be distributed to the Beneficiaries?
- What restrictions should be in place on the Trustees for how they distribute assets or funds from the Trust?

Once you have decided, you should talk to your Solicitor and Accountant. They will then be able to draw up a Trust Deed and advise you of any tax issues. You may also want to seek independent legal advice.

When you are ready to open a Trust Account, please call our customer service team on 01225 423271 or visit one of our Branches.

We provide an execution-only service, and cannot provide any advice or assessment on the suitability of the Trust Account for your circumstances. You should seek independent expert legal and/or financial advice before signing and submitting your application form.

We’re different because you are

Head Office
15 Queen Square,
Bath BA1 2HN

Web
www.bathbuildingsociety.co.uk

Savings enquiries

Telephone
01225 423271

Email
savings@bibs.co.uk

Telephone calls may be recorded to help the Society to maintain high standards of service delivery.

Bath Investment & Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority,
Registration Number 206026.

Bath Building Society

06/2026