

DECLARATION OF TRUST FOR BANK ACCOUNT – USER GUIDELINE

Overview:

A declaration that the bank account is held on trust for a named person for some purpose. Appropriate when a family member is holding funds for another, such as an elderly parent, or family member who is overseas and is managing that account for that person or to meet that person's local expenses. Can also be used by a family member holding funds contributed over time by other family members for a specific purpose such as for a headstone.

Practical Tips:

Read the whole of the Deed thoroughly before you start. Never sign anything you have not read fully and understand.

Print and sign one copy of the Deed for each party. Keep the original Deed in a safe location that will be accessible on your death. The terms of the Trust will bind the executors and trustees of your estate after your death. Keeping the declaration in the same place as your will may be a good idea.

Be committed to the trust and don't have separate understandings on the side from what is written in the declaration of trust. Trust's cannot be undone if you change your mind. Once the property is declared to be held for a beneficiary, then that beneficiary is legally entitled to the benefit of those assets on the terms of the trust. The Trustee is not entitled to personally benefit from the trust or the trust assets.

Don't mingle non trust assets with trust assets. Property held on trust should be kept separate from any property of the trustee.

This document has been prepared as a "Deed". A Deed is different from a contract. A contract doesn't have to be witnessed and usually doesn't even have to be in writing, but both parties to a contract must each provide something of value ('consideration') to the other. By contrast, a deed can give legal effect to a transaction, such as a gift, where only one party provides something of value to the other. The deed will be legally enforceable so long as it's in writing, it's witnessed by someone who records his or her address and occupation on the deed, and the parties to the deed intend it to take effect as a deed.

Completing the agreement:

TOP LINE – insert at the top of the document the full name address and occupation of the person making the declaration. This person is the Trustee for the bank account.

The Trustee will hold the bank account in the trustee's name for the benefit of another person or for a specific purpose