M&G Platform

GUIDE

GIA Trust Accounts

Guidance for opening and administering trust investments

For UK Financial Advice Professionals only



Contents

1 Introduction 3

2 Opening a new GIA 4

3 Payments into the GIA 6

4 Payments out of the GIA 7

5 Making changes to the GIA 8

6 Appendix 1 9

Important Information

None of the information provided in this document should be considered legal, investment or tax advice of any kind.

The information provided is high-level and generic in nature, and therefore not exhaustive. It is based on our current understanding of the regulations and may be affected by future changes.

Requirements are on a case by case basis and we may, occasionally, need to obtain more information or documentation than is stipulated here.

1 Introduction

This document provides guidance to assist financial advisers with administering General Investment Accounts (GIA) for Express Trusts on the M&G Platform, both at the initial Application stage and during the lifetime of the Account. Please note, it does not cover any other form of non-individual Account setup (for example corporate entity or charity) or pension trusts (Third Party Product accounts are also not covered by this document).

To be eligible to open an account, the trust must be an established Discretionary, Bare or Life Interest Trust. As detailed in our Terms, a non-individual (Trust) cannot apply to open an account if it is a 'US Person'. This includes any trust with a Settlor who meets the definition of a 'US Person', as well as Bare Trusts and Life Interest Trusts of which the Beneficiary meets the definition of a 'US Person'.



2 Opening a new GIA

The Trust Application Form, details our requirements to set up a new Account. We will open a GIA to hold Trust Property on the Platform.

We will administer the Account in line with the instructions provided, based on the content of the establishing Trust Instrument (usually initial Trust Deed or Will) and in accordance with our Terms, and take no trustee responsibilities. We will not send information to, take instruction from, or provide online access to beneficiaries or settlors (except where the Beneficiary or Settlor is also a Trustee of the Account).

We require the following documentation to satisfy our due diligence requirements for on-boarding a client:

Trust Application Form:

- A fully completed Trust Application Form, signed by all current Trustees:
  - (a) The form captures information about other roles, including living Settlors and, depending on the type of trust, Beneficiary details.
  - (b) Bare Trust & Life Interest Trust – Beneficiary details, including those of minors, must be provided on the application form; full name, address, date of birth and, for those over 16, National Insurance Number (whilst we will set up a beneficiary record for the individual on the Account, as detailed above we will not communicate with them).
  - (c) Bank/building society account details and verification – where these are provided on the application form, we expect them to be for a Trust bank account, or a named beneficiary of the trust or, if one of the Trustees is a solicitor regulated by The Law Society, for their firm's Client Account.

    Please also supply one of the following Bank verification documents:

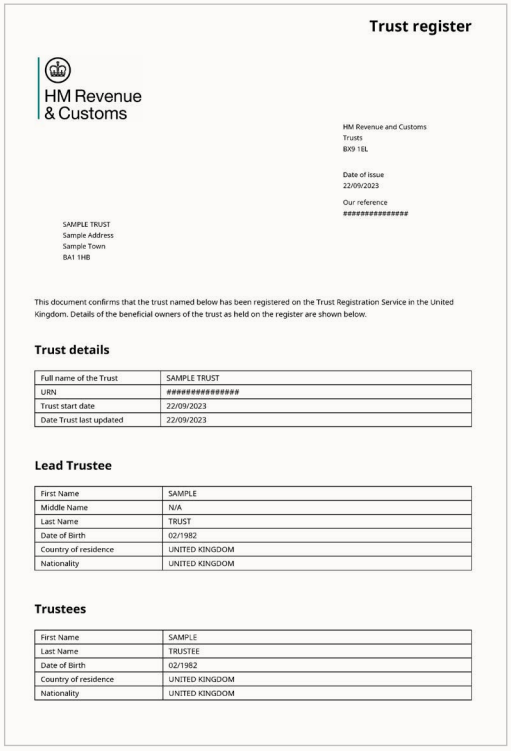
    (i) Certified copy of a recent bank statement (last 3 months)

    (ii) Void cheque or paying-in slip

    (iii) Letter from accountant on headed paper
  - (d) Legal Entity Identifier (LEI) – Required to trade in Exchange Traded Instruments (ETIs).

    (i) For a Life Interest Trust or Discretionary Trust wishing to trade in ETIs, an LEI is required for the trust itself.

    (ii) For a Bare Trust, an LEI is only required when the Beneficiary is under 18 years **and** there is a Corporate Trustee. The LEI must be that of the Corporate Trustee.
  - (e) Trust Register Details – The trust's HMRC Trust Registration Number and the full PDF download of the Trust Registration Service (TRS) extract for the trust from the TRS site must be provided – see below example (an Internet printout of the details is not acceptable, because it does not include all the details required on a proof of registration document as stipulated in HMRC's TRS manual). If the trust is exempt from registering, this must be confirmed by ticking the box on the first page of the application form AND the reason for the exemption must also be given on the form.



Trust register

HM Revenue & Customs

HM Revenue and Customs
Trusts
BX9 1EL

Date of issue
22/09/2023

Our reference
##############

SAMPLE TRUST
Sample Address
Sample Town
BA1 1HB

This document confirms that the trust named below has been registered on the Trust Registration Service in the United Kingdom. Details of the beneficial owners of the trust as held on the register are shown below.

Trust details

Full name of the Trust	SAMPLE TRUST
URN	##############
Trust start date	22/09/2023
Date Trust last updated	22/09/2023

Lead Trustee

First Name	SAMPLE
Middle Name	N/A
Last Name	TRUST
Date of Birth	02/1982
Country of residence	UNITED KINGDOM
Nationality	UNITED KINGDOM

Trustees

First Name	SAMPLE
Last Name	TRUSTEE
Date of Birth	02/1982
Country of residence	UNITED KINGDOM
Nationality	UNITED KINGDOM

Evidence of Identity:

- We will verify named Trustees using our electronic checks, although if this fails we will require certified copies of identity verification documents.
- For living Settlors (who are not also a Trustee) and for Beneficiaries whose bank details are provided, we will require the following:
    (a) Identity verification documents
    (b) Proof of address
    (c) Bank verification documents
- Where the payment into the Account is coming from another party (for example a Settlor who is not a Trustee), verification of identity is also required for that party.
- We reserve the right to request (and advisers agree to provide), copies of the identification documentation relied upon by them to verify the identity of their client.

Entity Self-Certification Form:

- A **fully** completed Entity Self-Certification form, signed and dated by at least one of the Trustees, including:
    (a) Organisation name (must be the name of the trust itself), country in which the trust is established, country of tax residency of the trust itself, Tax Identification Number of the trust (for UK tax resident trusts registered with HMRC, the trust's HMRC number must be provided).
    (b) Classifications of the trust under FATCA and CRS.

    Please refer to Appendix 1 of this document for guidance on selecting classifications.
- If the trust is classified as a Passive Non-Financial Entity, a separate Individual Self-Certification form must be completed for each Controlling Person and signed by the individual concerned. This includes living Settlors, all Trustees and, any Beneficiary whose bank/building society account details are provided on the Application Form.

Supporting Documentation:

Depending on the type of trust, **certified copies** of 1 or more of the following will be required to evidence details for the trust to the point of the application for the Account (N.B. this is not an exhaustive list):

- Establishing Trust Instrument or Deed (always required).
- Deeds of Variation – if the original terms of the trust (or a bequest) have subsequently been varied.
- Deeds of Appointment/Retirement/Removal – for all changes to Trustees since the trust was created.
- For trusts established by Will, certified copies of the Will as well as the Death Certificate and Grant of Probate for the Testator.
- For other trusts, Death Certificate(s) if a Settlor or Trustee or Beneficiary has died prior to the Application for the Account and the death is not documented in a Deed.
- For trusts with a Corporate Trustee, an Authorised Signatory List for the Corporate Trustee will be required.

Depending on the value of the investment and the location of the Trust/Settlor/Trustees, additional documentation may be required before the Account can be set up including, but not limited to, evidence of both source of funds and source of wealth. These requirements are determined on a case by case basis.

Please note, non-provision of the above information may result in delays in opening the Account or allocating funds.

3 Payments into the GIA

Initial payments into the Account must be in accordance with the structure of the trust concerned.

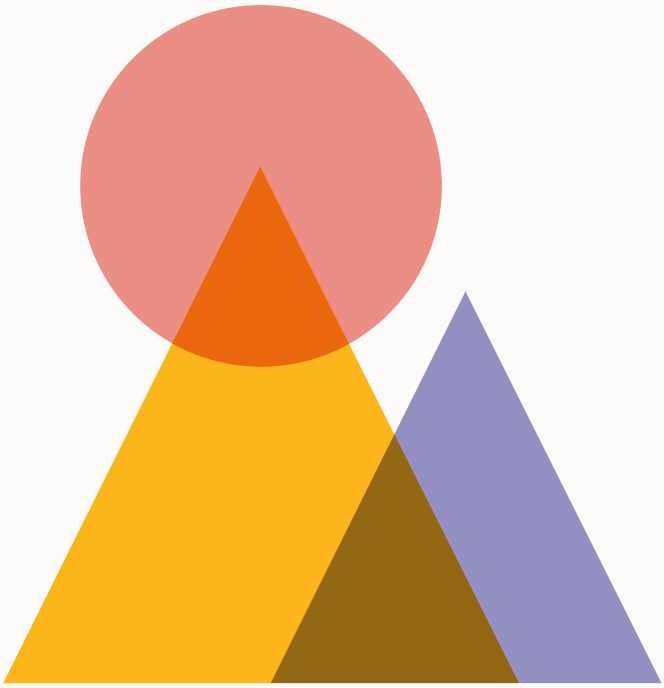
For example:

- If the trust has a living Settlor, we usually expect the funds to be drawn on an account held in their name, or the trust bank account or, if one of the Trustees is a solicitor regulated by The Law Society, on their firm's Client Account.
- For trusts established by Will where the Settlor (Testator) is deceased, we usually expect the funds to be drawn on the trust bank account, or on the Client Account of the solicitor firm involved with the administration of the estate.

After the initial payment into the Account:

- We will only accept subsequent additions to the Account where the establishing Trust Instrument/Deed explicitly allows for additions to the Trust Fund, or where there has been a transfer of existing Trust Property from another provider (evidence of identity of the payer will be required if they are an unverified third party).

We have the right to reject payments if we believe they do not meet the definition of the Trust Fund or Trust Property as given in the establishing Trust Instrument or Deed.



4 Payments out of the GIA

The following is general guidance in relation to requirements for payments out, however, there may be certain instances where we will require additional authorisation to be able to make a payment.

- Where an ad-hoc payment is required to an existing nominated bank or building society account, which is permanently linked to the Account having previously been authorised in writing by the Trustees, we will accept instructions from the financial adviser to send the ad-hoc payment to this account.
- Where an ad-hoc payment is required to a bank or building society account that is **not** permanently attached to the Account, we require a separate instruction for each ad-hoc payment to it, signed by the appropriate number of trustees as stipulated on the Application Form and/or Trust Deed.

Please note:

- If any of the trustees on the Account are named individuals at a corporate organisation, those specific individuals will be required to sign the instructions (instructions will **not** be accepted from other individuals at the same organisation).
- If any trustee is a corporate organisation, signature requirements will be in line with the organisation's latest Authorised Signatory List.

We usually only allow payments to the following:

- The trust bank or building society account.
- A bank or building society account held in the name of a Beneficiary of the trust.
- A bank or building society account which is the Client Account of a Law Society regulated solicitor firm.

We need verification of identity for:

- Any beneficiaries for whom we hold bank account details or are making direct payments to them.
- Any other third party to whom/which we agree to make payments.

By exception we may make payments to HMRC in respect of a trust's tax liability, on receipt of either:

(a) Instructions signed by the appropriate number of Trustees as stipulated on the Application Form and/or Trust Deed;

AND

(b) A certified copy on HMRC headed paper of the request for payment, which also confirms the HMRC bank account details to credit.

OR (as HMRC no longer routinely provide paper statements/invoices)

(a) A written (emailed) instruction from the registered adviser, confirming which HMRC bank account details to pay to, the trust's Unique Taxpayer Reference (UTR) and the corresponding Trust name, as well as how much to pay and when. Any telephone instructions should be followed up with a written instruction from the registered adviser, before making the payment, in order to ensure the correct UTR is referenced.

The bank account details provided must be in line with those detailed on the HMRC website for payment of a tax bill (link below), otherwise we may reject the instruction.

Pay your Self Assessment tax bill: Make an online or telephone bank transfer

A separate instruction signed by the appropriate number of Trustees will be required each time such a payment is requested.

5 Making changes to the GIA

The onus is on the Trustees to ensure our records are kept up to date by communicating changes in a timely manner, including (but not limited to):

- Retirement/removal of Trustees.
- Appointment of new Trustees.
- Change of address for any of the Trustees.
- Change of bank account details to be held on the Account.
- Changes to Beneficiary details – who they are or changes to their existing personal details (N.B. we will not accept a change of beneficiary for a Bare Trust).
- Death of Settlor/Trustee.
- For Life Interest or Bare Trusts, death of Beneficiary.

Appropriate documentation will be required for these changes:

Change Required	Documentation Required
Retirement/ Removal of Trustee	• Updated TRS Extract. • Certified copy of relevant Deed of Retirement/Removal of Trustee.
Add a new Trustee	• Updated TRS Extract. • Certified copy of relevant Deed of Appointment of Trustee. • Completed Trust Application Form signed by all continuing Trustees and the new Trustee. • Evidence of identity for the new Trustee. • If the Trust is classified as a Passive Non-Financial Entity for FATCA/CRS and the new Trustee is a named individual, a fully completed Individual Self-Certification form signed by them.
Change of Trustee address	• Updated TRS Extract. • To change a specific Trustee's address; instructions from the financial adviser or the Trustee concerned, by telephone or email from the registered email address or in writing with their wet signature (or signatures of authorised signatories for a corporate trustee). • For change of contact address for the trust itself; instructions from the financial adviser or at least one of the Trustees as above, or the appropriate number of Trustees if stipulated differently on the Trust Deed.
Change of bank account details	• Instructions signed by all Trustees or the appropriate number of Trustees as stipulated on the Application Form and/or Trust Deed.
Death of Settlor or Trustee	• Updated TRS Extract. • Certified copy of the Death Certificate; or • Certified copy of Deed referencing the death of the Settlor or Trustee. • If a new Trustee is being appointed to replace the deceased (for example to meet a minimum number of Trustees requirement in the establishing Trust Deed), refer also to the 'Add a new Trustee' section above.
Death of Beneficiary of Life Interest or Bare Trust	• Updated TRS Extract. • Certified copy of the Death Certificate; or • Certified copy of Deed referencing the death of the Beneficiary. • We may need to ask for further information, depending on the structure of the trust. This is communicated on a case by case basis. Generally, Bare Trust assets form part of the beneficiary's estate, while the terms of a Life Interest Trust determine who is subsequently entitled to benefit from the trust.

6 Appendix 1

Guidance for selecting FATCA/CRS classifications for Express Trusts

Trustee Types on Account	Discretionary Management** Yes/No	FATCA Classification	CRS Classification	Which Self-Certification Forms are required?
Corporate Trustee*	Yes	UK FI or a Partner Jurisdiction FI	Financial Institution	Entity only
Individual Trustee	Yes	UK FI or a Partner Jurisdiction FI	Financial Institution	Entity only
Corporate Trustee*	No	UK FI or a Partner Jurisdiction FI	Financial Institution	Entity only
Individual Trustees	No	Passive Non-Financial Foreign Entity	Passive Non-Financial Entity	Entity **and** separate individual forms, signed by the individual concerned, for each Controlling Person***

Where a trust has a mix of corporate and individual trustees, the corporate trustee requirements above (for Discretionary Management** or Advisory Services as appropriate) should be followed.

*Corporate Trustee (classified as a Financial Institution)

Includes those where the Trustee as named in the Deed is an actual organisation, for example 'ABC Trust Corporation'.

Does not include:

- Individuals who are specifically named in the Deed (even if they are employed by such an organisation and acting in their professional capacity). These are 'Individual Trustees'.
- The appointment of individual roles within an organisation (for example, Wills often state '2 Partners in the firm of X at the time of my death'). These are 'Individual Trustees'.

**Discretionary Management

Includes Accounts with Direct Access DFMs and Accounts being managed by the adviser firm on a Discretionary Management basis defined as Investment Entities.

Does not include:

- Accounts being managed by the adviser firm on an Advisory basis with DFM models.

***Controlling Persons

Includes living Settlors and current Trustees.

For Bare Trusts and Life Interest Trusts it also includes beneficiaries for whom their own bank or building society account details are provided or to whom we are asked to make payment directly.

M&G Platform

Contact us

0345 076 6140

Our lines are open 8:30am to 5:30pm Monday to Friday.
Telephone calls may be recorded for training and security purposes.

Client Services, M&G Platform, Trimbridge House,
Trim Street, Bath BA1 1HB

platformsupport@mandg.com

mandgplatform.com/private-investors

© Copyright Notice

The M&G Platform is provided by Investment Funds Direct Limited, registered in England and Wales No.1610781. Registered office: 10 Fenchurch Avenue, London EC3M 5AG. Authorised and regulated by the Financial Conduct Authority No. 114432.

Investment Funds Direct Limited is a subsidiary of M&G plc, incorporated and registered in England and Wales. Registered office: 10 Fenchurch Avenue, London EC3M 5AG. Registered number 11444019. M&G plc is a holding company, some of whose subsidiaries are authorised and regulated, as applicable, by the Prudential Regulation Authority and the Financial Conduct Authority.