Downing

# Downing Insured

## Optional cover designed to work alongside Downing's suite of estate planning solutions

# Contents



# About Downing

Established investment manager founded in 1986, combining scale and experience with a focus on client service

## What do we believe in?

We aim to deliver not only attractive financial returns, but also enable our clients to invest their money in things they care about.

With forty years' experience managing assets on behalf of investors, we pride ourselves on our ability to take both an agile and considered approach, offering investment opportunities that can be both profitable and purposeful.

Our commitment to building long-term relationships and supporting good businesses, combined with our professional investment expertise, means we are always looking for new opportunities that create value for our customers.

## Downing in numbers

| Assets under management | Managing IHT solutions since | Total assets in estate planning solutions |
|---|---|---|
| c. £2.6bn[1] | 2007 | c. £1.6bn[1] |

[1] As at 31 March 2026

Certified B Corporation · UN Global Compact · UK Stewardship Code · PRI Principles for Responsible Investment

"At Downing, our vision is to be a leader in our chosen markets. We aim to deliver steady attractive returns for investors with a focus on investing in assets and businesses that can contribute to building a better future."

**Tony McGing,** Partner and Chief Executive Officer

# What is Downing Insured?

Inheritance Tax (IHT) is a tax that may be payable on the value of your estate above the available tax-free allowances when you die. Downing's estate planning solutions target investments that qualify for Business Relief (BR) - a relief that can reduce your IHT liability if the investment is held for at **least two years** and **held at the date of death.**

Downing Insured provides optional life cover designed to mitigate your potential IHT liability during the first two years of investment - bridging the gap before BR qualification may apply. Should you pass away before the two-year period is complete, Downing Insured ensures your investment is not left exposed to IHT.

## Estate planning options

IHT planning is not a one-size-fits-all solution. All individual's circumstances are different, and the right approach, whether that's a single tool or a blend of strategies, will depend on your personal situation, your estate's complexity, and how quickly you need protection in place.

Timing can be an important part of estate planning. Most solutions require a qualifying or waiting period before they begin to mitigate your liability. **A financial adviser will help you understand which combination of strategies are right for you.**

### Important

**The proceeds of this insurance policy are paid out by the insurer, in accordance with Downing (as trustee). Downing will take into account the persons nominated on the application form. This should ensure that any proceeds from the insurance policy fall outside of your estate and so should not be subject to IHT. For tax implications, please refer to page 12. For UK investors only.**

# Downing Insured

## Key features

### Proceeds not subject to IHT

Proceeds are payable by the Insurer directly to such of your family or beneficiaries as Downing, as trustee, selects and instructs. This should ensure that any proceeds from the insurance policy fall outside of your estate and so should not be subject to IHT.

### Effective IHT planning

If you die within the two-year qualifying period required to qualify for relief from IHT, provided your death is eligible, the insurance proceeds will cover either 20% or 40% of your initial investment (dependent on cover), to help pay any IHT liability.

### Immediate cover

If you are accepted, cover starts from date of investment, which is the date the shares are issued in portfolio companies.

## The risks

### Tax reliefs

Tax reliefs are not guaranteed, subject to change, and only apply if you hold your shares for a minimum of two years and at death. There is no guarantee that the companies that we invest in will remain BR qualifying.

### Insurer failure

Downing does not warrant the Insurer's solvency or ability to pay claims. If the Insurer fails before your claim is paid, your beneficiaries' payment may be reduced, delayed, or lost. Long-term insurance is protected in full by the FSCS, with no upper limit, and this cover is confirmed as eligible.

### Disclosures

You have an obligation to ensure all disclosures to the insurer are accurate and complete at the time of application. If the disclosures are not accurate, the insurer will not pay out in the case of death.

# Details

You can opt for Downing Insured to cover 40% or 20% of your original gross investment upon death, subject to the conditions summarised here and in the terms & conditions document. This is an optional cover and is subject to an additional charge.

| Age brackets at the point of investment | 40% cover of gross investment | 20% cover of gross investment |
|---|---|---|
| | Max payout upon death of up to £300,000 or £600,000 for joint applications | |
| 18–74 years of age | Charge[1]:<br>– Single: 1.09% + VAT p.a.<br>– Joint life second death cover: 0.79% + VAT p.a. | Charge[1]:<br>– Single: 0.54% + VAT p.a.<br>– Joint life second death cover: 0.40% + VAT p.a. |
| 75 – 85 years of age | Charge[1]:<br>– Single: 3.61% + VAT p.a.<br>– Joint life second death cover: 2.63% + VAT p.a. | Charge[1]:<br>– Single: 1.80% + VAT p.a.<br>– Joint life second death cover: 1.32% + VAT p.a. |
| 86 – 89 years of age | Charge[1]:<br>– Single: 5.80% + VAT p.a.<br>– Joint life second death cover: 4.23% + VAT p.a. | Charge[1]:<br>– Single: 2.90% + VAT p.a.<br>– Joint life second death cover: 2.12% + VAT p.a. |

Where clients opt for a joint life second death policy and the two lives insured fall into different age brackets, the charges will be calculated by taking an average of the two joint life cover policy costs. For example, based on 40% cover, if the husband is 80 years of age and the wife is 70 years of age, the rate would be (0.79% +2.63%) / 2 = **1.71% + VAT**

[1]The charge is calculated on the original gross investment and is allocated annually in advance. There will be no refund of the charge in the event of death. In the case of funds being withdrawn, there will not be a rebate of the charges.

# Downing Insured policy

Insurance Product Information document

**Company:** Downing

**Product:** Downing Estate Planning Service, Downing AIM Estate Planning Service, Downing AIM ISA & Downing Growth Estate Planning Service

This document provides a summary of the key information on the Downing Insured policy. Please see the terms & conditions for full pre-contractual and contractual information on this policy. For more information on eligibility, please see page 10 of this brochure.

## What is this type of insurance?

Under current Business Relief (BR) rules, if you die less than two years after investing in companies that qualify for BR, those shares will form part of your estate for inheritance tax. Downing Insured mitigates the impact of the IHT liability on the amount invested in the shares for the first two years until they qualify for BR.

For 40% cover and a single life policy, the maximum investment covered is £750,000. The policy will, therefore, pay for any inheritance tax liability on your estate up to a maximum of £300,000.

### What is insured?

- ✔ Death by accident
- ✔ Death by illness

### What is not insured?

- ✕ Terminal illness
- ✕ Life-limiting illness unless you have completed and returned the additional Downing Insured questionnaire to provide details of your medical history and to confirm that your life expectancy exceeds 30 months, with such opinion being dated within five weeks of the application
- ✕ Death by suicide and assisted suicide

### Are there any restrictions?

- ! Minimum age of 18 at investment date
- ! Under the age of 90 at investment date
- ! 40% of amount initially invested, up to a maximum of £750,000. The total life insurance amount is, therefore, capped at £300,000 for the 40% option for a single life

### Where am I covered?

Worldwide (as long as suitable medical information is available in the event of death in a foreign country).

### What are my obligations?

- Maintain your premium payment. (This is facilitated by Downing – see below)
- Read and understand the declaration in the application form. Tick the relevant box to confirm this

### When and how do I pay?

- Downing facilitates premium payments annually in advance – paid for with funds realised from your investment

### When does the cover start and end?

Cover starts from the date that BR-qualifying shares are alloted to you. The cover lasts for two years, or until you: cash in all your investments; cease premium payments; cancel in writing to Downing; or death occurs.

### How do I cancel the contract?

The contract is automatically cancelled when your investment qualifies for BR; or you cash in all your investments; or you write to Downing to cancel the policy.

# Insurance policy claims process

The claims process following the death of an investor having a valid claim under Downing Insured insurance policy is as follows:

### Notify us of the death

The investor's personal representatives should notify Downing of the death, supplying original birth, death, and, if appropriate, marriage certificates.

### Downing submits the claim

Downing will forward to the insurer the investor's details, a request for payment form, and proof of the sum insured. Only Downing may make a claim under an Insurance Policy. The insurer may request further information in order to be satisfied that the claim is valid and we shall pass such requests to the investor's representatives, who shall be responsible for providing the requisite responses. Downing will have no other obligation to progress a claim under an insurance policy.

### Payment made to beneficiary

The insurance claim will be paid when the insurer is satisfied with the entitlement to a claim. Once satisfied the insurer will make payment to the beneficiaries, taking into account the persons nominated in the application form.

No benefit will be payable if the evidence required to assess the death claim is not provided to the insurer or if the circumstances otherwise do not comply with the terms and conditions of the insurance.

**Please seek independent financial advice if you are unsure whether this product is right for you.**

### Important notice

This document is for information only and is a summary of the key features of the Downing Insured policy. It does not constitute a personal recommendation, and does not form part of any offer or invitation to purchase or subscribe for securities. No reliance should be placed on it in isolation; please refer to the full terms and conditions for complete pre-contractual and contractual information. Downing does not offer investment, tax, or insurance advice, and does not assess or confirm the suitability of Downing Insured for your individual circumstances. If you are in any doubt as to whether this cover is right for you, you should speak to an independent financial adviser. Downing Insured is a life cover policy. It has no cash-in or surrender value, and pays out only in the event of a valid claim arising from death within the two-year cover period, subject to the eligibility criteria, exclusions, and medical declarations set out on pages 10–11. If no valid claim arises during the cover period, no benefit is payable and the policy simply ends. Downing does not warrant the solvency of, or the ability to pay claims of, any Insurer with whom the policy is placed. Tax treatment depends on the individual circumstances of each investor and may change; any change in taxation legislation or HMRC practice may affect the amount payable to a Beneficiary. This document is issued by Downing 10 Lower Thames Street, London EC3R 6AF. Downing is authorised and regulated by the Financial Conduct Authority in the United Kingdom (Firm Reference Number 545025).

# Terms and Conditions

Downing Insured is a life cover policy, which is capped at the maximum payout per policy across all Downing IHT products, so if investments are held in more than one product, investors will be required to select which product and which part of each subscription will be covered by the policy. These limits apply on a per Investor basis so for joint applications the maximum total cover is doubled. Please check each policy for their maximum payout.

The start date for the policy is the Investment Date (i.e. the date on which shares are allotted in whichever Downing estate planning solution the Investor has chosen).

The Downing Insured policy does not apply to Trusts. If a portfolio is transferred into Trust, the cover will cease on the day of the transfer. No claims will be payable thereafter.

### 1. Sum insured

Where an Investor dies within two years of the Investment Date, the sum insured is a fixed amount equal to 20% or 40% (as applicable) of the original gross subscription, being the funds invested by the Investor in the Service gross of all initial charges (including any initial adviser charges facilitated through the Service, where applicable). The maximum Downing Insured pay-out is £300,000 per Investor across the Downing IHT products, which corresponds to a gross subscription of £1,500,000 for 20% cover or £750,000 for 40% cover. To the extent that subscriptions are made in excess of the maximum allowed, either in this product or across more than one Downing IHT service, the Investor will be required to select which parts of the subscription are covered by the Policy. Joint life second death cover is also available, to cover circumstances where both Investors die within two years of the Investment Date. Each Investor benefits from a maximum Downing Insured pay-out of £300,000, resulting in a total maximum pay-out of £600,000, equating to a gross subscription of £1,500,000 for 40% cover or £3,000,000 for 20% cover. If an Investor withdraws some or all of their subscription before the second anniversary of the Investment Date, the Downing Insured policy will not apply in respect of any sum withdrawn.

### 2. Age

The Downing Insured policy only covers Investors up to (but not including) their 90th birthday on the Investment Date. For joint Investors, both Investors are required to be under 90 on the Investment Date.

### 3. Cover period

If the Investor is eligible under the eligibility criteria below, the Investor is covered for a period of two years from the Investment Date. Once the two-year period has elapsed, the Investor will no longer benefit from the Downing Insured policy.

### 4. Premiums

If Downing Insured is chosen, there is an additional charge. The charge will dependent on what cover the client choses or is eligible for, the different charges can be found on page 6, in each case calculated by reference to the original gross Subscription for the first two years. No premiums are paid directly or on behalf of Investors. If an investor (or both investors, in the case of joint Investors) dies before the first anniversary of the Investment Date, no Downing Insured policy fee shall be payable from the first anniversary of the Investment Date onwards.

### 5. Proceeds

Investors agree to assign beneficial interest in the Downing Insured to Downing to hold on trust. We agree to act as Trustee on the terms set out in the Application Form. Where a successful claim is made under the Downing Insured policy, Downing (as trustee) will instruct the Insurer to make the proceeds payable to the Investor's family or beneficiaries, taking into account the persons nominated in the application form. The payment of the proceeds of the Downing Insured policy to the selected beneficiaries may be liable to IHT if the initial value transferred into the trust exceeded the investors available Nil Rate Band, which is calculated by taking the Nil Rate Band (currently £325,000) less any other chargeable transfers or chargeable gifts made by the investor in the seven years before the date the shares are issued to the investor/the policy was assigned to the trust. Where no IHT is payable on the creation of the trust, no IHT will be payable on the distribution of the proceeds to the beneficiary. If IHT is payable on the creation of the trust, IHT will be chargeable at up to 6% on the value of the proceeds distributed to the beneficiary. We recommend that Investors seek independent tax advice for a detailed assessment of any potential IHT liability. Any change in the taxation legislation or HMRC practice may alter the rate of IHT applicable to any proceeds from the Downing Insured policy. The policy proceeds will only be paid out in full following confirmation from the personal representatives of the estate that the relevant amount of IHT charge has been paid to HMRC or that there is no charge.

# Downing Insured policy eligibility criteria and exclusions

### 1. Age

Investors who are aged between 18 years and 89 years on the Investment Date.

### 2. General exclusions

No benefit will be payable under the Downing Insured in the event of death directly or indirectly arising as a result of:

› Suicide and assisted suicide.

› War, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, civil commotion, riot, revolution or military or usurped power.

› Radioactive contamination from:

  i. ionising radiation or contamination from any nuclear fuel, or from any nuclear waste arising from burning nuclear fuel; or

  ii. the radioactive, toxic, explosive or other dangerous effect of any explosive nuclear equipment or part of that equipment.

› Biological or chemical contamination due to or arising from terrorism.

No benefit will be payable if the evidence required to assess the death claim is not provided to the Insurer.

### 3. Medical exclusions and declarations

An Investor must declare when completing an Application Form:

3.a. That they are over 18 years and under 90 years old at the investment date.

3.b. They have not been diagnosed with any form of ***terminal illness**.**

In respect of a ***life limiting illness**** or anything that may be diagnosed as a ***life limiting illness***:

3.c. They must confirm ***either*** of the following:

3.c.i. They do not have a life limiting illness* nor, within the last five years, have they suffered with any form of cancer, heart disease or chronic lung condition. They have also not received any medical advice, nor awaiting any medical investigations or hospitalisation or surgery relating to a life-limiting illness*.

***OR***

3.c.ii. They have a life limiting illness*; or within the last five years, they have been suffering from or have suffered from any form of cancer, heart disease or chronic lung condition; or, they have received medical advice, or they are awaiting any medical investigations or hospitalisation or surgery, relating to a life-limiting illness*. **They must confirm their life expectancy is anticipated to exceed 30 months.**

If the Investor has declared they are within categories 3.a, 3.b and 3.c.i they will be automatically accepted for Downing Insured.

If the Investor has declared they are within categories 3.a, 3.b and 3.c.ii, their medical professional is required to complete and return the Downing Insured Questionnaire together with the application form to provide details of their medical history and confirm their life expectancy is expected to exceed 30 months. This questionnaire will be reviewed by the Insurer who will confirm the Investor's suitability for Downing Insured.

The Application Form, including the above declarations, and additional Downing Insured Questionnaire, if required, must be completed and dated no more than five weeks prior to the Investment Date in order for the above declarations to be valid. If the period is any greater, the Insurer may require the declarations to be repeated.

**Upon death, the Insurer has the right to obtain a written opinion from the Investor's medical professional and/or any medical records to validate any claim.**

***Medical definitions**

- ***Terminal illness*** – an illness that has no known cure or progressed to the point where it cannot be cured and in the opinion of a registered UK doctor the illness is expected to lead to death within two years.
- ***Life limiting illness*** – a medical condition for which there is no known cure and it is expected that death will be a direct consequence of the specified illness.

  A life limiting illness can include but is not limited to:

  - Cancer[1]
  - Heart and cardiovascular disease.[2]
  - Chronic lung conditions,[3] such as Chronic Obstructive Pulmonary Disease (COPD)
  - Neurodegenerative diseases (e.g. dementia)
  - Autoimmune diseases
  - HIV/AIDS
  - Bedridden condition

  [1]***Cancer*** **-** any malignant tumours, carcinoma, leukaemia, sarcoma and lymphoma.

  [2]***Heart disease*** – including heart attack (myocardial infarction, cardiac arrest), angina, cardiomyopathy, heart surgery and/or heart failure.

  [3]***Chronic lung condition*** – requiring the need for regular oxygen treatment and/or bronchodilators and/or hospitalisation.

### 4. Availability of the Downing Insured policy

The provision of the Downing Insured policy for new Investors who have not yet been allotted Shares is subject to the continued availability of such cover from the Insurer. If the Downing Insured policy is no longer available on terms acceptable to Downing and an Application Form has been completed selecting such Downing Insured, Downing will notify you prior to accepting your application to obtain your consent to proceed with the Subscription without the Downing Insured policy in place, subject to the appropriate reduction in the premiums set out on page 6. This will not apply in respect of any Investors whose Shares have been issued and who have selected Downing Insured – such persons will, subject to the eligibility criteria above, benefit from the Downing Insured policy for the maximum two-year period.

## Risks

Please see each IHT product Terms and Conditions for a full list of the risks related to that IHT product, which will be in additional to the below if you opt for the optional Downing Insured.

- **The optional Downing Insured policy is subject to conditions**: If the conditions are not met in full then the policy will not pay out. If any of the information provided by the Investor is incorrect or if they have omitted any relevant information, the insurer will have the right to reject any claims and the premium paid will not be refunded.
- **Insurer:** Downing does not warrant the solvency or ability to pay claims of any Insurer with whom any insurances are placed.
- **Current tax practice:** The information in these Terms is based upon current taxation and HMRC practice. Any changes in the legislation or HMRC practice may affect the value of an investment.

# Taxation

This summary is based upon current UK tax law and published practice and is intended as a guide only. The summary considers the position of individuals who are both UK resident and domiciled. It is not intended to constitute legal or tax advice and prospective investors are recommended to consult their own professional advisers concerning the possible tax consequences of investing through the Service.

The proceeds of the Insurance Policy will be held upon trusts declared by the investor for the benefit of the investor's family or beneficiaries. Downing will be the trustee. This means the proceeds should not form part of the investor's estate for IHT.

## Funding your Trust

As the settlor to the Trust, the Investor is deemed to have gifted the premiums to the Trust. The investor may offset their annual exemption (currently £3,000 per year) against the gifts of the premiums, this is applicable to each year when premiums are payable (subject to no other gifts being made earlier in the tax year). Any amount which is not covered by the annual exemption will be treated as a chargeable lifetime transfer, and may result in an IHT charge. The amount chargeable to IHT will be reduced by the investors available nil rate band, therefore provided they have not made chargeable lifetime transfers equal to or in excess of the nil rate band (currently £325,000) in the 7 years prior to the investment, the premium will be covered by the nil rate band and no IHT will be payable. Where the investor has either fully or partially utilised their nil rate band within the seven years prior to the date of the premium payment, the excess value not covered by the annual exemption and the available nil rate band will be liable to IHT. If this occurs, the investor will be required to make an additional payment to the Trust to cover the lifetime charge and complete HMRC forms. The extra amount payable will be 25% of the value of the premium payment which is chargeable to IHT. In practice, we expect this outcome to be relevant in very few cases.

## Payment of proceeds

The payment of the proceeds of the insurance policies to your beneficiaries could trigger an IHT charge (an exit charge). The exit charge is calculated based on the initial value transferred to the trust less the available nil rate band at the date of exit (the date in which the proceeds are paid to the beneficiary). The available Nil Rate Band is calculated by taking the Nil Rate Band (currently £325,000) less any chargeable transfers made by the settlor in the seven years before the creation of the trust. Provided the value transferred to the trust does not exceed the available Nil Rate Band no IHT will be payable. If the value transferred were to exceed the available Nil Rate Band, IHT will be chargeable at up to 6% on the value of the proceeds distributed to the beneficiaries. The actual rate of IHT in respect of the Insurance Policy proceeds depends on the length of time between the creation of the trust and the transfer of the proceeds to the beneficiaries. Any change in the taxation legislation or HMRC practice may alter the rate of IHT applicable to any proceeds from Insurance Policies. The policy proceeds will only be paid out in full following confirmation from the personal representatives of the estate that the relevant amount of IHT charge has been paid to HMRC or that there is no charge. Any periodic or exit fees payable from an Investor's Trust will be paid by selling shares from their Portfolio.

### Important notice

The levels and bases of reliefs from taxation may change or disappear. The tax relief referred to in this section is described in accordance with Downing's, and the Service's taxation adviser's, interpretation of current legislation, rules and practice, which may change and affect the return to Investors. The value of the tax relief will depend on the individual circumstances of Investors.

# Appendix

## Settlement agreement

### Parties

1. The Investor (“Settlor”)
2. Downing LLP, 3rd Floor, 10 Lower Thames Street, London EC3R 6AF ("Downing")

### Background

1. The Settlor wishes to assign absolutely to Downing (as trustee) all of their beneficial interest in the trust established in respect of an Insurance Policy (as defined in the Terms & Conditions) (“**the Property**”) for Downing to hold on trust subject to the terms of this settlement (“**Settlement**”).
2. It is intended that this Settlement shall be irrevocable. The parties to this Settlement accept that no Insurance Policy shall have any settlement value and provides protection only on death subject to the terms of such Insurance Policies. No rights or obligations under this Settlement may be assigned by any party.

### 1. Definitions and interpretation

In this Settlement, where the context admits, the following definitions and rules of construction shall apply.

1.1 ***“Application Form”*** means the application form signed by the Settlor in respect of the Downing Estate Planning Service.

1.2 ***“Beneficiaries”*** shall mean the persons nominated by the Settlor in Section 4 of the Application Form signed by or on behalf of the Settlor.

1.3 ***“Terms & Conditions”*** shall mean the terms and conditions, Brochure and associated Application Form issued by Downing relating to the Downing estate planning solution(s) as at the date of the Application Form which is signed by the Settlor.

1.4 ***“Trust Fund”*** shall mean:

a. the Property; and

b. any interest earned by Downing on the Property and any other accumulations of income added to the Property, all of which shall be held subject to the powers and provisions of this Settlement.

1.5 ***“Trust Period”*** shall mean the period ending on the earlier of:

a. the last day of the period of 125 years from the date of this Settlement; and

b. such date as shall for the time being be specified pursuant to the power conferred by clause 7 of this Settlement.

Otherwise, the words and phrases used in this Settlement shall have the meaning ascribed to them in the Terms and Conditions.

### 2. Assignment

The Settlor hereby assigns absolutely and irrevocably to Downing all the Settlor’s interest in the Property on the effective date referred to below.

### 3. Effective date

This assignment and Settlement shall take effect on the Investment Date in respect of any Insurance Policy that becomes effective on or around such date or, if later, the date upon which the Settlor receives any beneficial interest in the trust established in respect of an Insurance Policy.

### 4. Power to add beneficiaries

4.1 The Settlor or his survivor or such person as the Settlor or his survivor shall have nominated in writing or if none Downing, may, at any time during the Trust Period, add to the Beneficiaries such persons as the person making the addition shall, subject to the application, if any, of the rule against perpetuities, determine.

4.2 Any such addition shall be made in writing to Downing:

a. naming the persons to be added; and

b. specifying the date or event, being before the end of the Trust Period, on the happening of which the addition shall take effect.

4.3 This power shall not be exercised so as to add to the Beneficiaries the Settlor or any person who shall previously have added property to the Trust Fund or the spouse or civil partner for the time being of the Settlor or any such person.

## 5. Discretionary trust of capital and income

5.1 Downing, whilst agreeing to make reasonable endeavours to act in accordance with the Settlor's wishes set out in the Settlor's Application Form, shall determine, in its discretion, which of the Beneficiaries are to receive the proceeds of a claim under the Insurance Policy, in what shares, and, when. Downing shall give effect to any such determination by instructing the Insurer to pay the relevant amount directly to each Beneficiary so determined.

5.2 The exercise of Downing's powers under clause 5.1 of this Settlement shall be subject to the application of the rule against perpetuities.

## 6. Trusts in default of appointment

6.1 Subject to the provisions of clause 5 of this Settlement, Downing shall hold the capital and income of the Trust Fund upon trust absolutely for such of the children and remoter issue of the Settlor as shall be living at the end of the Trust Period and, if more than one, in equal shares per stirpes, so that no person shall take if any of his ascendants is alive and so capable of taking.

6.2 If, at the end of the Trust Period, there is no one who meets the requirements of clause 6.1, Downing shall instruct the insurer to apply any money then actually held by it in connection with this Settlement on trust absolutely for a charity of Downing's choosing. For the avoidance of doubt, this clause 6.2 does not apply to any sum which remains payable by the Insurer to a Beneficiary and which has not yet been received by that Beneficiary, and does not require Downing to hold, or account for, any capital or income other than such money as it actually receives.

## 7. Power to alter trust period

Downing may, at any time during the Trust Period, specify by deed, in relation to the whole or any part of the Trust Fund, a date for the purposes of clause 1.5(b) of this Settlement. The date specified shall not be earlier than the date of execution of such deed or later than the date on which the applicable perpetuity period expires.

## 8. Administrative powers

Downing shall, in addition and without prejudice to all statutory powers, have the powers and immunities set out in this Settlement. No power conferred on Downing shall be exercised so as to conflict with the beneficial provisions of this Settlement and the powers conferred on Downing shall be exercisable only during the Trust Period and subject to the application, if any, of the rule against perpetuities.

## 9. Exclusion of Settlor and spouse or civil partner

No discretion or power conferred on Downing or any other person by this Settlement or by law shall be exercised, and no provision of this Settlement shall operate directly or indirectly, so as to cause or permit any part of the capital or income of the Trust Fund to become in any way payable to or applicable for the benefit of the Settlor or any person who shall previously have added property to the Trust Fund or the spouse or civil partner for the time being of the Settlor or any such person. The prohibition in this clause shall apply notwithstanding anything else contained or implied in this Settlement.

## 10. Proper law, forum and place of administration

10.1 The proper law of this Settlement shall be that of England. All rights under this Settlement shall be construed, and its construction and effect shall be determined, according to the laws of England.

10.2 The courts of England shall be the forum for the administration of these trusts.

## 11. Power of investment

11.1 Downing's powers in relation to the Trust Fund are limited to: (a) holding the beneficial interest in the Insurance Policy; (b) facilitating the payment of premiums due under the Insurance Policy in accordance with the Terms & Conditions; (c) pursuing any claim under the Insurance Policy and, where a claim succeeds, instructing the Insurer as to payment in accordance with clause 5; and (d) making such enquiries as are necessary to identify and locate the Beneficiaries entitled to receive payment.

11.2 Downing does not hold, and has no power to invest, apply, or manage, any money or other property comprising the proceeds of a claim under the Insurance Policy. Such proceeds are paid by the Insurer directly to the relevant Beneficiary and do not form part of the Trust Fund.

11.3 For the avoidance of doubt, Downing has no power to apply the Trust Fund to the purchase or acquisition of any property, investment, or asset of any kind.

## 12. Power of management

Downing shall have all the powers of an absolute beneficial owner in relation to the management and administration of the Trust Fund.

## 13. Power to insure property

Downing may insure all or any part of the Trust Fund against any risk, for any amount and on such terms as they think fit but shall not be bound to do so.

## 14. Payment of expenses

Downing shall have power to pay out of income or capital, as it may in its discretion determine, any expenses relating to the Trust Fund (or any assets comprised within it) or its administration.

## 15. Power to appoint agents

Downing may employ and pay at the expense of the Trust Fund any agent in any part of the world to transact any business in connection with this Trust without being responsible for the fraud, dishonesty or negligence of such agent if employed in good faith.

## 16. Powers to delegate

16.1 Downing may engage any person or partnership to advise it on all or any part of the Trust Fund

16.2 Downing may, without being liable for any consequent loss, delegate to any person the operation of any bank, building society or other account.

## 17. Payment of taxes

17.1 Downing shall not pay any inheritance tax or other duty, fee or tax from the Trust Fund, which holds no capital or income capable of meeting such a liability.

17.2 Where a lifetime charge to inheritance tax arises on the creation of the Settlement, Downing shall notify the Settlor, who shall be required to make an additional payment to the Trust to meet that charge, in accordance with the Terms & Conditions.

17.3 Where a charge to inheritance tax may arise on distribution of proceeds to a Beneficiary, Downing shall not instruct the Insurer to release the relevant proceeds until the Settlor's personal representatives have confirmed to Downing's reasonable satisfaction that the charge has been paid to HMRC or that no charge arises.

17.4 Downing may provide such information to, or file such returns with, HMRC or any relevant tax authority as is necessary to give effect to clauses 17.2 and 17.3.

## 18. Trustee charging

Downing shall be entitled to reimbursement of its proper expenses, and to remuneration for its services at the rates set out in the Downing Insured charges table in this brochure and the Terms & Conditions, as may be amended from time to time in accordance with those Terms & Conditions.

## 19. Protection of Downing generally

Downing shall not be liable for any loss to the Trust Fund however arising except as a result of the fraud or dishonesty of Downing.

## 20. Release of powers

Downing may by deed release or restrict the future exercise of all or any of the powers conferred on it by this Settlement.

## 21. Power to vary administrative provisions

Downing may by deed amend or add to the administrative provisions of this Settlement.

Investments that matter

August 2026



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Downing