Appointing ZEDRA as a professional trustee for your clients

Quilter

For financial advisers only

What we'll cover:

Welcome to your guide to appointing ZEDRA as a professional trustee — **2**

Benefits of a professional trustee service — **3**

The role of ZEDRA as a professional trustee — **6**

Fees payable to ZEDRA — **7**

Investment management and online access — **8**

Key administration points — **9**

Process to apply for ZEDRA to be a professional trustee — **11**

Process flows — **13**

Queries — **18**

Welcome to your guide to appointing ZEDRA as a professional trustee

This short guide outlines the procedure for appointing ZEDRA as a professional trustee on Quilter's range of trusts.

As well as helping to ensure a smooth and efficient process for your clients, you'll find key information about the ZEDRA professional trustee service.

The benefits of a professional trustee service

ZEDRA is a leading independent trustee service provider, with a reputation for delivering exceptional client service.

As more advisers and clients turn to trusts, we want to make it as easy as possible for you to set the trust up and ensure it runs smoothly. The role of trustee can be complex, and may act as a barrier for some clients who may worry about appointing family or friends. Through our arrangement with ZEDRA, we hope to make it easier for your clients to benefit from the services of a professional trustee.

Our arrangement with ZEDRA helps make it more efficient for your client to appoint a professional trustee. Quilter does not receive any money from ZEDRA through this arrangement – the agreement and the fees payable are between your client and ZEDRA.

To help you ensure that ZEDRA is suitable for your individual clients, and to support your due diligence, more information on ZEDRA can be found here: ***www.zedra.com/professional-trustee-service-for-quilters-range-of-trusts/***

The benefits of using a professional trustee service include:

Impartial

A professional trustee remains impartial and removes the emotional element which can sometimes cloud decisions by family members and create conflict.

Expertise

Navigating the responsibilities of being a trustee and complying with the Trustee Act 2000 can be overwhelming. Using a professional removes this burden from your client's family and friends.

Ease of administration

A professional trustee takes responsibility for the trust registration service, reporting, and exit and periodic charges.

Continuity

With one trustee, there are no delays due to trustees living in different parts of the country, or the incapacity or death of a trustee.

Confidentiality

Professional trustees are required to act in confidence, which can be very beneficial in a complex family situation.

Peace of mind

You and your client can have peace of mind that the professional trustee is subject to a regulated environment with controls in place to protect all parties.

The role of ZEDRA as a professional trustee

Your client, as the settlor, will create the trust and become ZEDRA's customer. ZEDRA will handle all trustee services. Quilter will not be involved in the settlor-ZEDRA relationship or the services provided. The standard services ZEDRA will provide include:

Setting up the trust – including registration

As part of their initial trust set up fee, ZEDRA will register the trust with the HMRC Trust Registration Service. They will supply Quilter with the relevant evidence of registration. It is possible to request ZEDRA to just register the trust – this is subject to a fee. Please contact ZEDRA for more information on this service.

IHT calculations

ZEDRA will perform exit and periodic charge calculations and make payment of such a charge to HMRC from the trust fund if applicable.

Calculation of the exit and periodic charge is charged by ZEDRA as an 'Activity Fee'.

Any chargeable lifetime transfer initial charge or trust reporting on IHT 100 and D34 is the settlor's responsibility. ZEDRA can be contacted to do this for an additional fee.

Ongoing services

As part of the professional trustee services provided, ZEDRA will manage the regulatory compliance reporting, correspondence, and any routine work required (e.g. the vesting options on the Lifestyle Trust).

Action withdrawals

Any withdrawal request must go to ZEDRA for approval (advisers are unable to make withdrawals online). Withdrawals are generally paid to the ZEDRA bank account.

For discounted gift trust and regular loan repayments to the settlor, ZEDRA will request Quilter make the payment directly to the settlor's bank account.

Payments to beneficiaries will be paid by Quilter to ZEDRA's client account for them to distribute. From Quilter receiving the withdrawal instruction from ZEDRA, to ZEDRA paying the withdrawal, it may take up to 15 working days.

Fees payable to ZEDRA

Discounted fee

Due to our arrangement with ZEDRA, your clients can benefit from lower standard fees for Quilter trusts established under this process. This arrangement offers a cost advantage compared to approaching them directly.

The latest fees are outlined in ZEDRA's fee schedule.

Quilter does not charge a fee for this service or take any commission/fees from ZEDRA.

When fees are taken

Trust set up fee:

For new and existing bonds and new trusts, the initial trust set up fee is paid by bank transfer to ZEDRA (bank details can be found in the client agreement). Payment is sent to ZEDRA along with the client agreement.

For existing trusts, ZEDRA will collect the initial trust set up fee by partial surrender from the bond. The amount will be taken proportionately across all assets including any transactional cash within the bond.

Annual trustee fees:

The annual trustee fee is paid in advance, and is first due on the first anniversary of the trust.

ZEDRA will request a partial surrender from the Collective Investment Bond. The amount will be taken proportionately across all assets including any transactional cash within the bond.

Any adhoc trustee fees will also be taken in this way. Your client agrees to these fees in the ZEDRA client agreement.

Tax treatment of the trustee fee

ZEDRA's trustee fee is treated in the same way as an advice fee. Fees taken from the bond are classed as withdrawals by partial surrender and therefore count towards the annual 5% tax deferred withdrawal allowance (based on premiums paid), available up to 20 years.

Annual review

The fees will be reviewed on a yearly basis on 1 January. Any increase in fee is not notifiable to clients. ZEDRA's fee schedule will be kept up to date with the latest fees.

Investment management and online access

Delegation of investment powers to the trustee

ZEDRA appoints the settlor as an agent of the trustee (under section C of the ZEDRA client agreement).

These powers include:

- setting the objective and risk profile in relation to the bond.
- agreeing a reasonable cost for investment advice to be met from the trust fund.

Your client is able to delegate their responsibilities regarding management of the investment to a discretionary fund manager or investment manager. Your client is also able to agree reasonable remuneration for that service on behalf of the trustees.

Where the settlor has sub-delegated their responsibilities to you to manage the investments or where you are facilitating your client's wishes, you will have online access to be able to switch the assets the bond is linked to.

Your clients will still be able to benefit from Family Linking discounts in relation to the Quilter Product Charge on the bond.

Your online access

You can continue to view the bond held in trust online as before.

Your client's online access

Your client will have 'read only' access to view the bond/trust through their online account. If they don't already have access to an online account, your client can download the ***Quilter app*** from the app store, or access the ***online Customer Centre.***

ZEDRA will have access

Once ZEDRA is appointed as the legal owner, they will have access to view the bond online.

Your ongoing service fees are not impacted

Where you have agreed an ongoing service fee with your client, provided this is for advice in relation to the ongoing investment strategy of the trust, then appointing ZEDRA as a professional trustee will have no impact on the agreement.

Key administration points

ZEDRA documents

In order to apply for ZEDRA's professional trustee services, your client will need a copy of the fee schedule, and will need to read and complete the client agreement:

ZEDRA's fee schedule

ZEDRA
SCHEDULE OF FEES FOR ACTING AS TRUSTEE FOR THE QUILTER TRUST RANGE

ZEDRA's client agreement

ZEDRA
APPOINTMENT OF PROFESSIONAL TRUSTEE

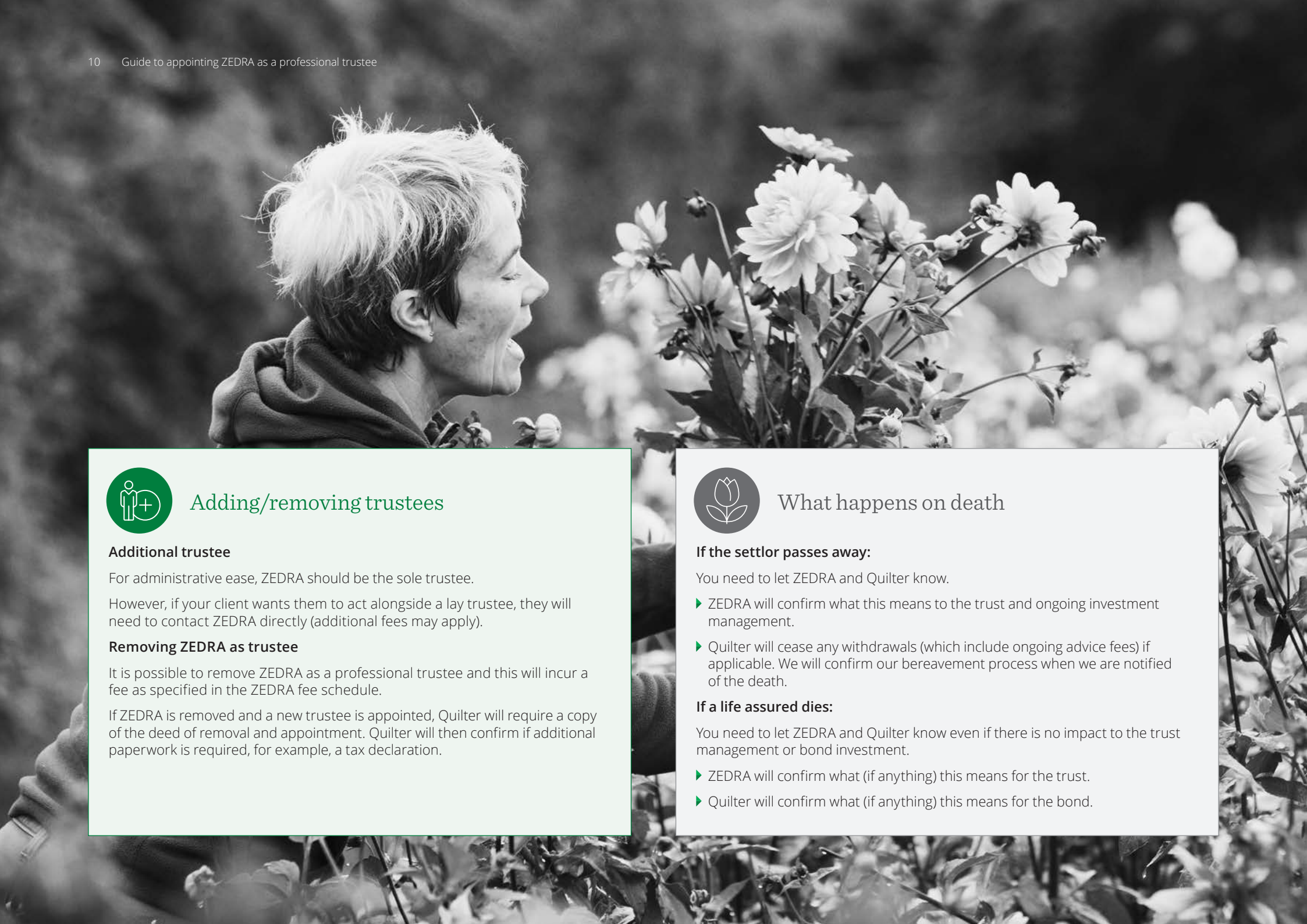
These items are specifically for use with the Quilter – ZEDRA arrangement. ZEDRA has a designated section on their website for these documents – *www.zedra.com/professional-trustee-service-for-quilters-range-of-trusts/*

Please ensure you use the correct client agreement, depending on whether it is for a new trust or an existing trust. You will find both versions on the ZEDRA website.

Where ZEDRA agrees to be a professional trustee, they will confirm this to your client in a welcome letter which will include a copy of the fully executed trust. ZEDRA will retain the copy of the original trust deed.

Letter of wishes

Within the ZEDRA client agreement, the client is able to complete a letter of wishes. Whilst not legally binding, this will provide the trustees with details on who the client would like to benefit and when. The client is able to update this document requesting the trustees to consider who should benefit from the trust fund in the future by contacting ZEDRA.



Adding/removing trustees

Additional trustee

For administrative ease, ZEDRA should be the sole trustee.

However, if your client wants them to act alongside a lay trustee, they will need to contact ZEDRA directly (additional fees may apply).

Removing ZEDRA as trustee

It is possible to remove ZEDRA as a professional trustee and this will incur a fee as specified in the ZEDRA fee schedule.

If ZEDRA is removed and a new trustee is appointed, Quilter will require a copy of the deed of removal and appointment. Quilter will then confirm if additional paperwork is required, for example, a tax declaration.

What happens on death

If the settlor passes away:

You need to let ZEDRA and Quilter know.

- ZEDRA will confirm what this means to the trust and ongoing investment management.
- Quilter will cease any withdrawals (which include ongoing advice fees) if applicable. We will confirm our bereavement process when we are notified of the death.

If a life assured dies:

You need to let ZEDRA and Quilter know even if there is no impact to the trust management or bond investment.

- ZEDRA will confirm what (if anything) this means for the trust.
- Quilter will confirm what (if anything) this means for the bond.

Process to apply for ZEDRA to be a professional trustee

The following three documents will need to be completed, either by you or your client (the settlor)

Once completed, each document will either need to be sent to Quilter or to ZEDRA. It is important you send each document to the correct place to avoid delays, as outlined in the table overleaf.

Type of trust New trusts only:	1. Bond application[1]	2. Trust deed[2] Do not date the deed[3]	3. ZEDRA client agreement[4]
Absolute Trust	**Adviser:** complete online **Send to Quilter**	**Client:** complete and sign **Send to ZEDRA**	**Client:** complete and sign **Send to ZEDRA**
Discretionary Trust **Best Start in Life Trust** **Excess Income Trust**	**Adviser:** complete online **Send to Quilter**	**Client:** complete and sign **Send to ZEDRA**	**Client:** complete and sign **Send to ZEDRA**
Lifestyle Trust	**Adviser:** complete online **Send to Quilter**	**Client:** complete and sign **Send to ZEDRA**	**Client:** complete and sign **Send to ZEDRA**
Discounted Gift Trust	**Adviser and client:** complete paper application **Send to Quilter**	**Client:** complete and sign **Send to Quilter**	**Client:** complete and sign **Send to Quilter**
Loan Trust[5]	**Adviser and client:** complete paper application **Client:** sign **ZEDRA**: sign as trustees **Send to ZEDRA**	**Client:** complete and sign **ZEDRA:** sign as trustees **Send to ZEDRA**	**Client:** complete and sign **Send to ZEDRA**
Existing trusts only If you already have a trust with Quilter, you can still appoint ZEDRA.	N/a – already set up	N/a – already set up	**Client:** complete and sign **Send to ZEDRA**

[1] *If your client is placing an existing Quilter bond into trust, please ignore this column. All our trusts, excluding the Loan Trust, can be placed in trust post issue.*

[2] *Trust deeds: includes English Law version and Scots Law version (where available).*

[3] *Dating of the trust deed: If ZEDRA agrees to be appointed as a trustee, they will date the trust deed as soon as they are able. For example, if a bond is applied for online and ZEDRA has agreed to being a trustee and has all the necessary completed paperwork, they will date the trust the same day the bond is started.*

[4] *Remember to include the payment of the trust set up fee to ZEDRA. (For existing trusts, ZEDRA will collect the trust set up fee by partial surrender from the bond.)*

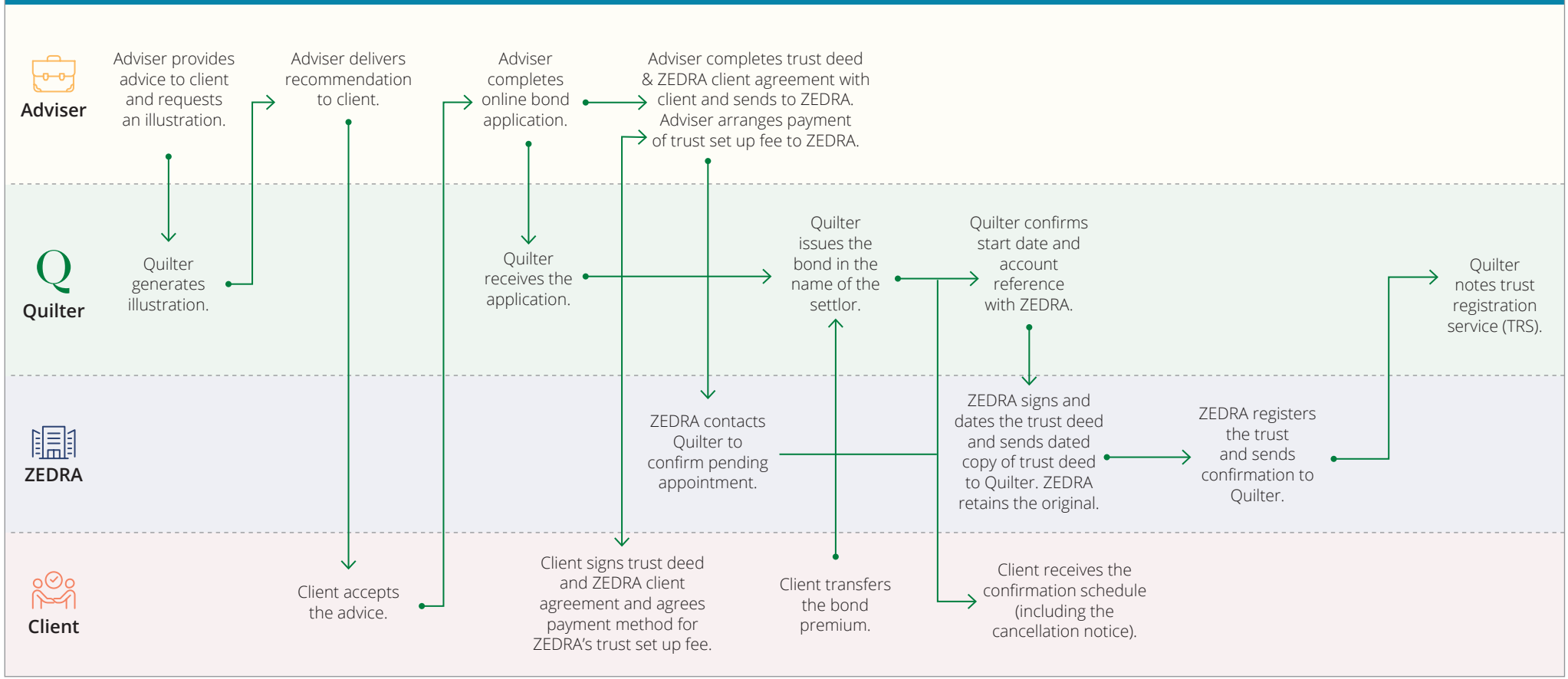
[5] *ZEDRA will not act as a professional trustee on the unlimited liability Loan trust.*

Where paperwork is to be sent to ZEDRA, send all correspondence to: ZEDRA, Booths Hall, Booths Park 3, Chelford Road, Knutsford, Cheshire, United Kingdom, WA16 8GS.

Process flows

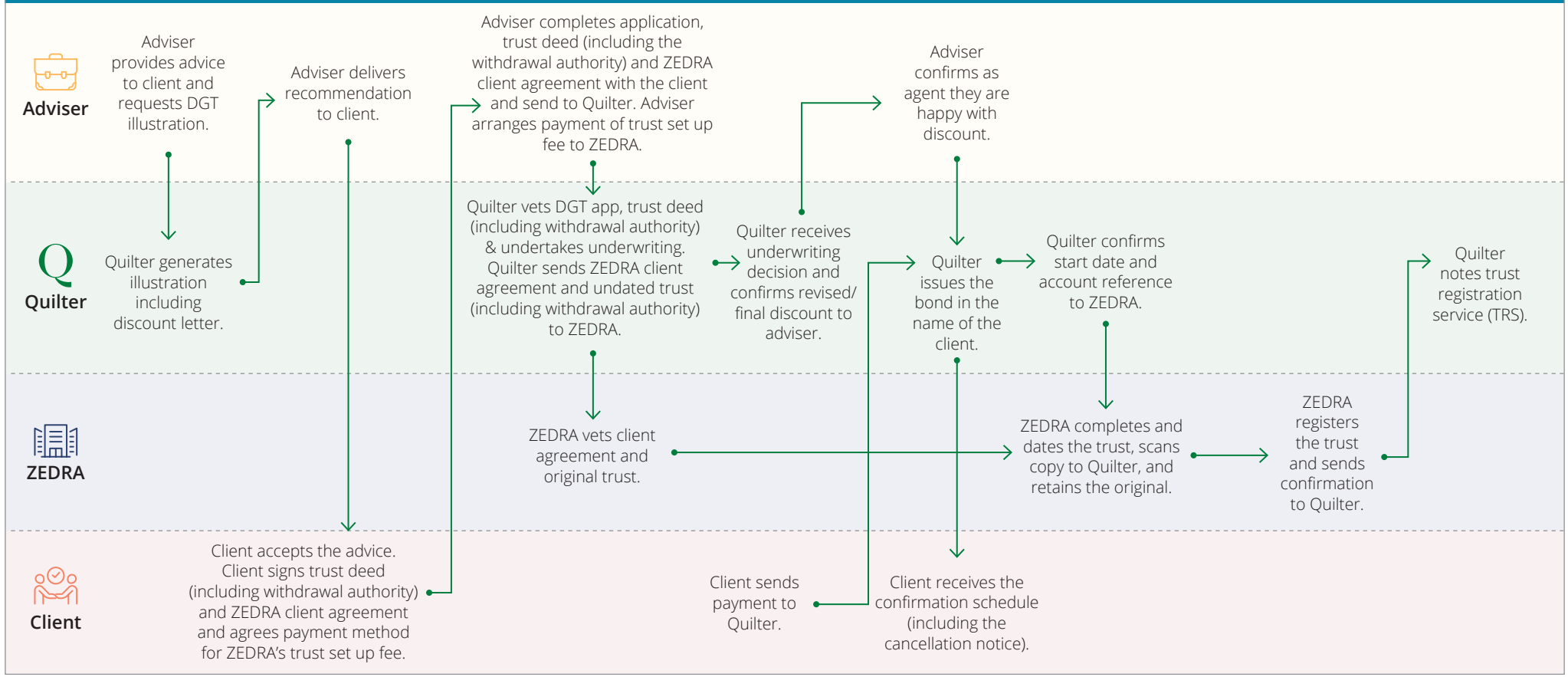
Please take the time to check the process flow for the trust you are submitting. This will ensure the trust is set up without delay.

Process 1: Applicable for all new trusts except DGT and Loan Trusts - please see process 2 and 3 on the following pages.



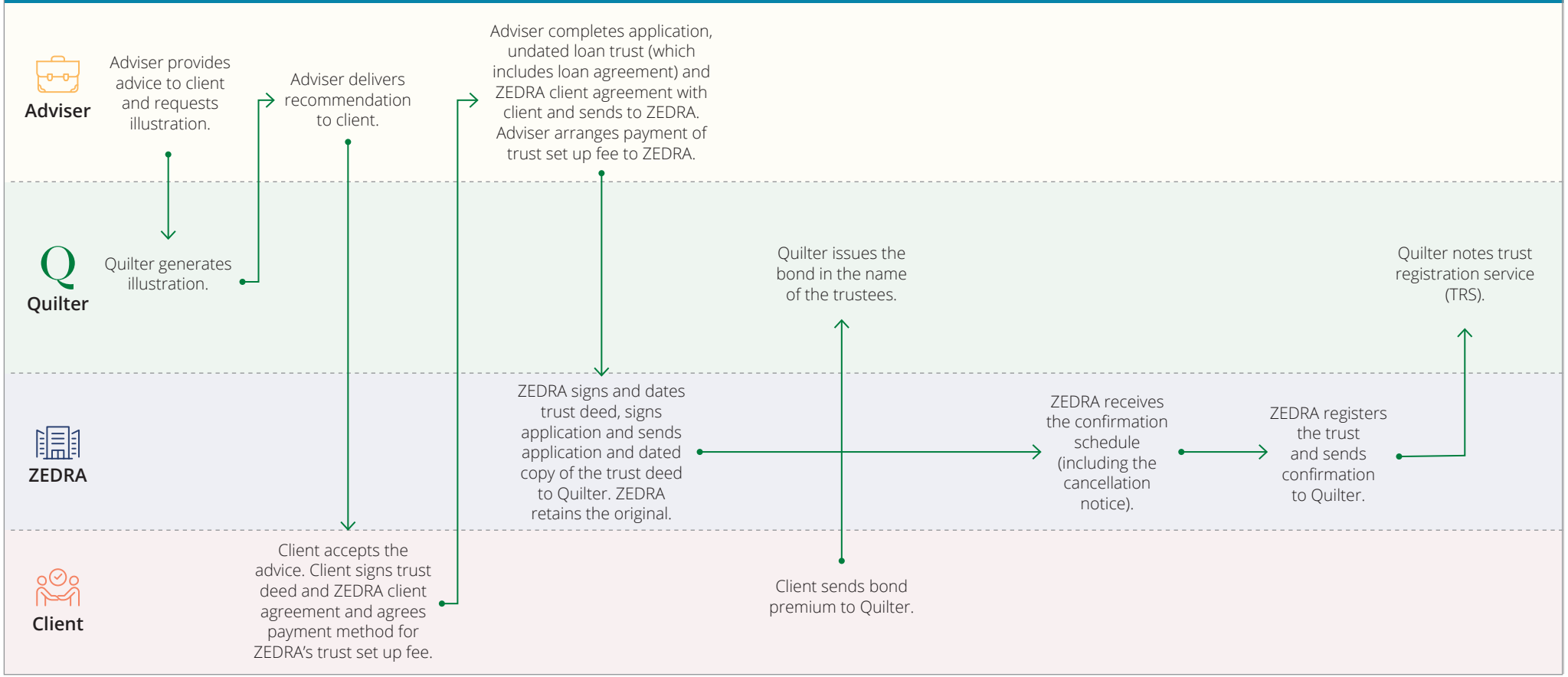
Please note: Client to pay ZEDRA the trust set up fee by bank transfer.

Process 2: Discounted Gift Trust



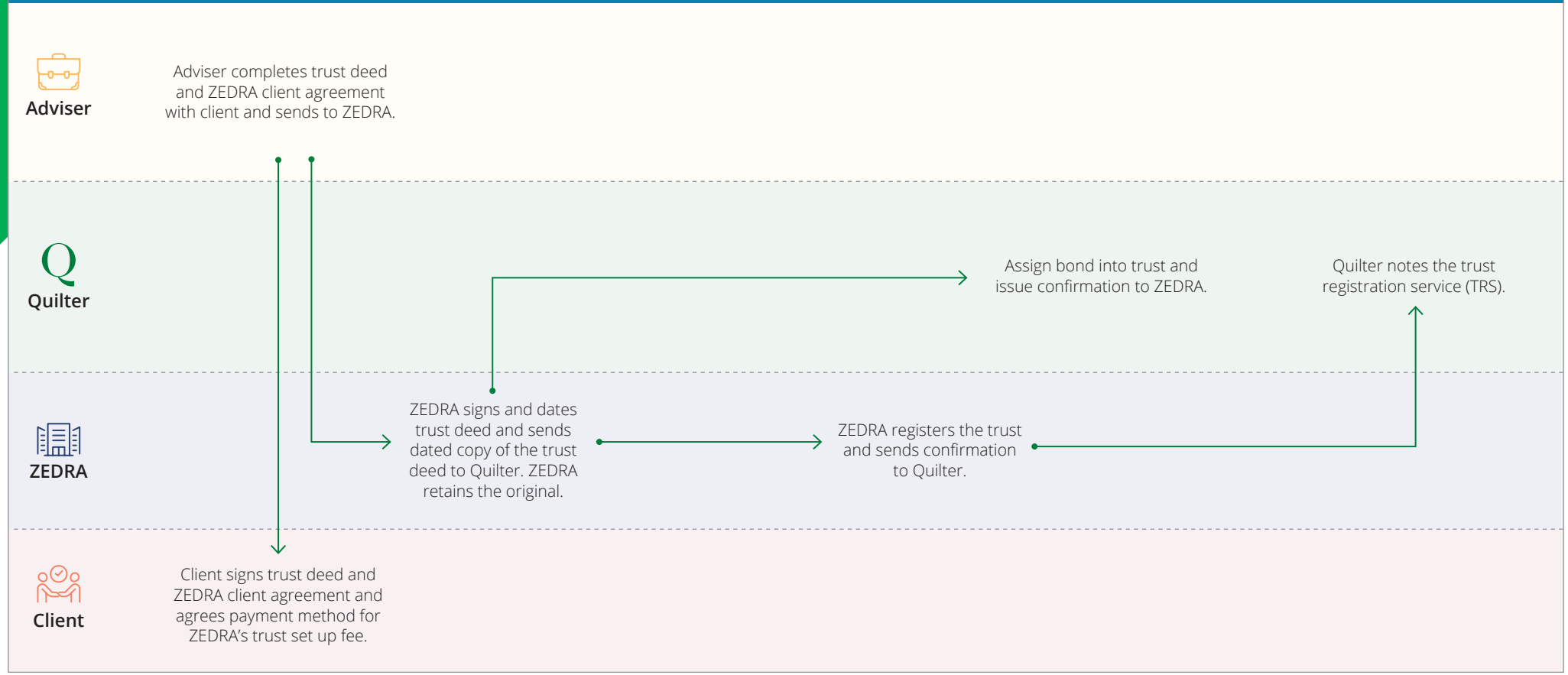
Please note: Client to pay ZEDRA the trust set up fee by bank transfer.

Process 3: Loan Trust



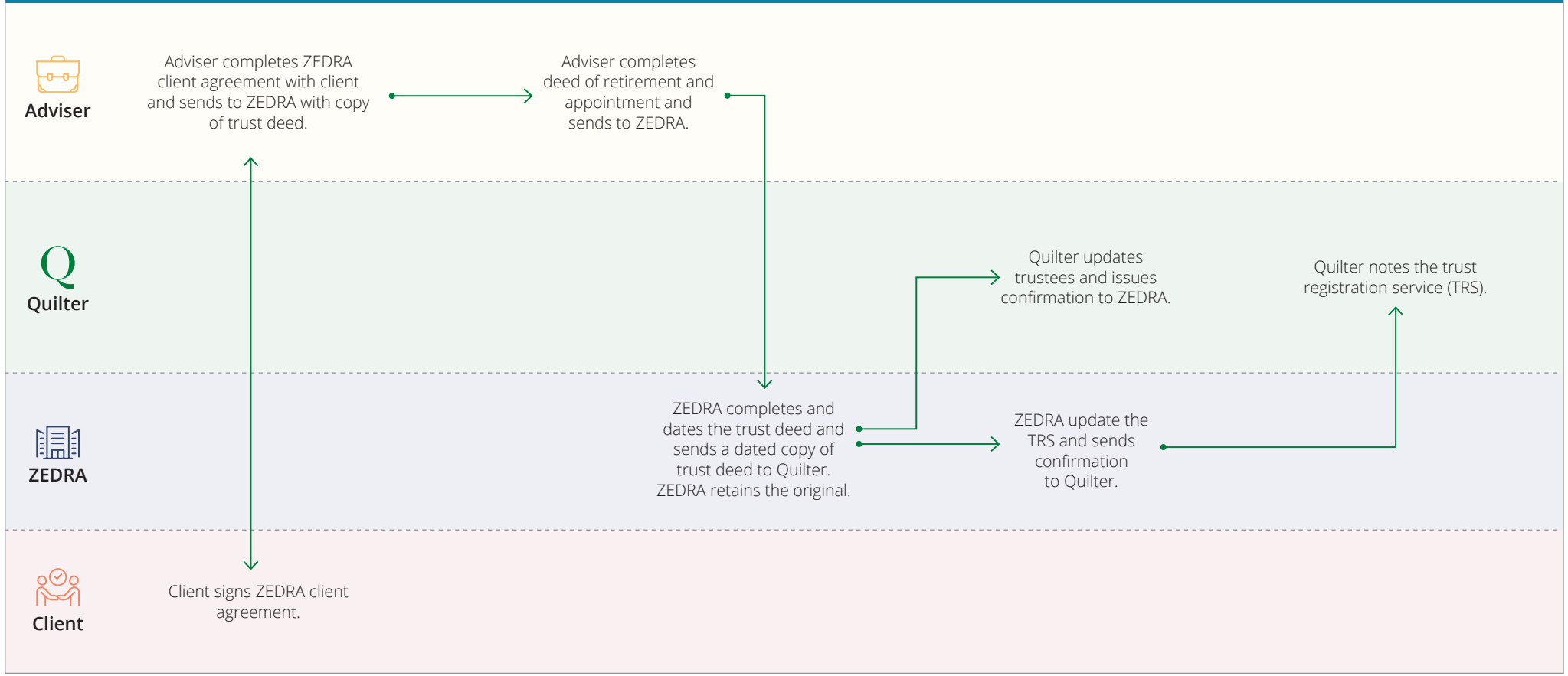
Please note: Client to pay ZEDRA the trust set up fee by bank transfer.

Process 4: Existing bond going into trust with ZEDRA



Please note: Client to pay ZEDRA the trust set up fee by bank transfer.

Process 5: bond already in trust appointing ZEDRA as trustees



Please note: ZEDRA will collect the trust set up fee by partial surrender from the bond.
Please ensure you complete the ZEDRA 'Appointment of Professional Trustee - Existing Trusts Client Agreement available here: ***www.zedra.com/professional-trustee-service-for-quilters-range-of-trusts/***

Thank you for reading

We hope using ZEDRA in conjunction with your Quilter trusts will make it easier for your clients to benefit from the services of a professional trustee, and will help ensure the trust runs smoothly.

Queries

- For queries relating to the completion/administration of the trust, please contact ZEDRA: ***zedraukonboarding@zedra.com***
- For queries relating to the investments held within the trust and all other queries, please contact Quilter: ***ask@quilter.com***

For more information

If you would like more information about using a professional trustee service or about our trusts, please contact your usual Quilter consultant.

quilter.com

Please be aware that calls and electronic communications may be recorded for monitoring, regulatory and training purposes and records are available for at least five years.

Quilter Investment Platform is the trading name of Quilter Life & Pensions Limited which provides a Collective Retirement Account (CRA) and Collective Investment Bond (CIB). Quilter Life & Pensions Limited is registered in England and Wales under number 4163431.

Registered Office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services register number 207977. VAT number 386 1301 59.

QIP 23737/165/12740/September 2025