



LONDON &
COLONIAL

INNOVATION YOU CAN TRUST

**THE LONDON & COLONIAL
DISCRETIONARY LOAN TRUST**

THE LOAN AGREEMENT

This Loan Agreement is made the _____ day of _____ in the year _____

between _____

of _____

(hereinafter called "the Lender")

of the one part

and _____

of _____

and _____

of _____

and _____

of _____

(hereinafter called "the Trustees") of the other part



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WHEREAS

1. By a Deed of Trust dated _____ (hereinafter called "the Trust") the Lender promised to make a loan to the Trustees.
2. The Lender wishes to make a loan of £ _____ (hereinafter called "the Loan") in compliance with his promise subject to the terms of this Agreement.
3. The Trustees agree that the making of the Loan subject to the provisions of this Agreement discharges the Lender's promise contained in the Trust.

NOW IT IS AGREED by the Lender and the Trustees that the Lender shall make the Loan to the Trustees in the manner described above and upon the following terms and conditions:

1. The Loan shall be free of interest.
2. The Loan shall be repayable by the Trustees upon demand made by the Lender in writing to the Trustees.
3. The Lender may satisfy the Loan in whole or in part by providing the Trustees with a cheque drawn in favour of London & Colonial Assurance PLC to whom the Trustees have made or are about to make an application for a single premium life assurance policy referred to as the Offshore Open Bond.
4. Subject always to the Lender's right to have his loan repaid on demand, the Trustees shall, until further notice or until the Loan is repaid whichever is the sooner, repay to the Lender the sum of £ _____ every year, the first payment to be made _____ months after the date of this Loan Agreement.

AS WITNESS this Agreement has been entered into the day and year first above written:

NAME:

SIGNED:

in the presence of

SIGNATURE OF WITNESS:

NAME:

ADDRESS:

.....

NAME:

SIGNED:

in the presence of

SIGNATURE OF WITNESS:

NAME:

ADDRESS:

.....

NAME:

SIGNED:

in the presence of

SIGNATURE OF WITNESS:

NAME:

ADDRESS:

.....

NAME:

SIGNED:

in the presence of

SIGNATURE OF WITNESS:

NAME:

ADDRESS:

.....



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THE LOAN AGREEMENT COMPLETION GUIDE

If, after seeking legal advice, the Loan Agreement is to be completed unamended the following parts of the document need to be completed as follows.

- The Loan Agreement should be dated one day after the Deed of Trust.
- The following details need to be inserted in addition to the date:
 - name and address of the Lender
 - names and addresses of all the Initial Trustees including the Lender
 - the date of the Trust Deed
 - the amount of the Loan
- If the Lender wishes to set up regular repayments (notwithstanding his right to have the full loan repaid on demand), he should include the amount of the annual repayment and when the first repayment should be made in clause 4. If this provision is not required, this clause should be deleted.
- The Loan cheque should be dated the same date as the Loan Agreement.
- The Loan Agreement should be signed by all of the parties and each signature should be witnessed.

Should you have any questions relating to this form please contact us.

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