

Roles in a Discretionary Trust

Trustee

If one individual is a trustee, that one individual cannot be the only Appointor.
If two individuals are trustees, one or both can be the Appointors.

Appointor

The Appointors role is to appoint and dismiss the trustee.
You can't have the trustee and Appointor as the same person.
You can have more than one Appointor.
If you have two Appointors, one or both of them can be the trustees.
The main rule is that the one person CANT be the Appointor and trustee.

Guardian

The Guardian cannot benefit from the Trust unless they are a Specified Beneficiary.

Settlor

This needs to be a person, not a firm or company.
The Settlor cannot be any other role in the trust – the Settlor is only the Settlor.
They are usually a third party, they just start the trust then have nothing more to do with it.
If the Settlor is a relative of any beneficiary, they will need to be put into the trust as a specific exclusion. This is because our trusts are quite broad and any relative of a beneficiary can benefit from the trust.

Beneficiaries

There needs to be at least one named person as a beneficiary.
If you name just one person as a beneficiary, their relatives, spouse, children etc will also benefit.