

DISCRETIONARY TRUST DEED

(Deeds stamped by Banksia in Victoria)

The 'Settlor' is the person who commences the establishment of a Discretionary Trust and provides the trust property. The Settlor appoints a person or company (known as the Trustee) to look after the property (known as the trust property) for the benefit of another person (known as the beneficiary). Subsequently, the Settlor takes no further part in the trust operations.

A discretionary trust gives the Trustee the power of discretion in dealing with and distributing the trust property. This usually includes the selection of beneficiaries (if there is more than one) that are to receive the benefits.

The Trustee also holds the power to decide how much of the trust property will be allocated to the selected beneficiaries. This discretion is limited by the terms of the Trust Deed.

The Trust Deed also sets out the rights, duties and obligations of the Trustee and the Appointor. The Appointor has the power to remove the Trustee.

The Trust Deed allows provision for the replacement of the Trustee and/or the Deed to be amended.