

## SCHEDULE 7

Rule 186

### SETTLEMENTS

#### *General*

1. Registered land which is settled land must be registered in the name of the tenant for life or the statutory owner.

#### *First registration—restriction required*

2. An application for first registration of an unregistered legal estate which is settled land must be accompanied by an application for entry of a restriction in Form G, H, or I, as appropriate.

#### *Standard forms of restriction applicable to settled land*

3.—(1) The restrictions in Forms G, H and I apply respectively to the various cases referred to in those forms, and may be modified as the registrar sees fit according to the circumstances.

(2) Where one of the restrictions referred to in sub-paragraph (1) should have been entered in the register and has not been, any person who has an interest in the settled land and who applies for such restriction shall be regarded as included in section 43(1)(c) of the Act.

(3) Subject to paragraphs 8 and 14, the restrictions referred to in sub-paragraph (1) are binding on the proprietor during his life, but do not affect a disposition by his personal representatives.

#### *Transfer of land into settlement*

4.—(1) A transfer of registered land into settlement must include the following provisions, with any necessary alterations and additions—

“The Transferor and the Transferee declare that—

- (a) the property is vested in the Transferee upon the trusts declared in a trust deed dated (date) and made between (*parties*),
- (b) the trustees of the settlement are (*names of trustees*),
- (c) the power of appointment of new trustees is vested in (*name*),
- (d) the following powers relating to land are expressly conferred by the trust deed in addition to those conferred by the Settled Land Act 1925(1): (*insert additional powers*).

*or if the tenant for life is a minor and the transferees are the statutory owner—*

- (a) the property is vested in the Transferee as statutory owner under a trust deed dated (*date*) and made between (*parties*),
- (b) the tenant for life is (*name*), a minor, who was born on (*date*),
- (c) the trustees of the settlement are (*names*),
- (d) during the minority of the tenant for life the power of appointment of new trustees is vested in the Transferee,
- (e) the following powers relating to land are expressly conferred by the trust deed in addition to those conferred by the Settled Land Act 1925: (*insert additional powers*).”.

(2) An application for the registration of a transfer of registered land into settlement must be accompanied by an application for entry of a restriction in Form G, H or I, as appropriate.

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(1) 1925 c. 18.

*Status: This is the original version (as it was originally made).*

(3) When the registrar receives the application he must register the transferee named in the transfer as the proprietor of the registered land and enter the appropriate restriction in the register.

*Registered land brought into settlement*

5. Where registered land has been settled and the existing registered proprietor is the tenant for life under the settlement, the registered proprietor must—

- (a) make a declaration in Form 6, and
- (b) apply for the entry of a restriction in Form G, modified if appropriate.

*Registered land bought with capital money*

6.—(1) Where registered land is acquired with capital money the transfer must be in one of the forms prescribed by rule 206 and must include the following provisions, with any necessary alterations and additions—

“The Transferee declares that—

- (a) the consideration has been paid out of capital money,
- (b) the Property is vested in the Transferee upon the trusts declared in a trust deed dated *(date)* and made between *(parties)*,
- (c) the trustees of the settlement are *(names of trustees)*,
- (d) the power of appointment of new trustees is vested in *(name)*,
- (e) the following powers relating to land are expressly conferred by the trust deed in addition to those conferred by the Settled Land Act 1925: *(set out additional powers)*.”.

(2) An application for registration of the transfer must be accompanied by an application for entry of a restriction in Form G, H or I, as appropriate.

*Duty to apply for restrictions when registered land is settled*

7.—(1) Where registered land is settled land the proprietor, or (if there is no proprietor) the personal representatives of a deceased proprietor, must apply to the registrar for the entry of such restrictions (in addition to a restriction in Form G, H or I) as may be appropriate to the case.

(2) The application must state that the restrictions applied for are required for the protection of the beneficial interests and powers under the settlement.

(3) Subject to section 43(3) of the Act, the registrar must enter such restrictions without inquiry as to the terms of the settlement.

(4) Nothing in this rule affects the rights and powers of personal representatives for purposes of administration.

*Proprietor ceasing in his lifetime to be the tenant for life*

8. Where a registered proprietor ceases in his lifetime to be a tenant for life and has not become absolutely entitled to the registered land—

- (a) he must transfer the land to his successor in title, or, if the successor is a minor, to the statutory owner, and
- (b) on the registration of the successor in title or statutory owner as proprietor, the trustees of the settlement, if the settlement continues, must apply for such alteration in the restrictions as may be required for the protection of the beneficial interests and powers under the settlement.

*Tenant for life or statutory owner entitled to have the settled land vested in him*

**9.** Where a tenant for life or statutory owner who, if the registered land were not registered, would be entitled to have the settled land vested in him, is not the registered proprietor, the registered proprietor must at the cost of the trust estate execute such transfers as may be required for giving effect on the register to the rights of such tenant for life or statutory owner.

*Registration of statutory owner during a minority otherwise than on death*

**10.—(1)** If a minor becomes entitled in possession (or will become entitled in possession on attaining full age) to registered land otherwise than on a death, the statutory owner during the minority is entitled to require the settled land to be transferred to him and to be registered as proprietor accordingly.

(2) The transfer to the statutory owner—

- (a) must be in Form TR1, and
- (b) must not refer to the settlement.

(3) An application to register the transfer must be accompanied by an application for entry of a restriction in Form H.

*Registration of special personal representatives*

**11.—(1)** Where—

- (a) land was settled before the death of the sole or last surviving joint registered proprietor and not by his will, and
- (b) the settlement continues after his death,

the personal representatives in whom the registered land vests under the Administration of Estates Act 1925<sup>(2)</sup> may apply to be registered as proprietor in place of the deceased proprietor.

(2) The application must be accompanied by the grant of probate or letters of administration of the deceased proprietor limited to the settled land.

(3) The personal representatives must be registered in place of the deceased proprietor and the following added after his name—

“special executor or executrix (or administrator or administratrix) of [name], deceased.”.

*Transfer on the death of the tenant for life*

**12.—(1)** Where the settlement continues after the death of the proprietor who was the tenant for life—

- (a) an application to register a transfer by the personal representatives to the person next entitled to the registered land which is settled land must be accompanied by—
  - (i) if the personal representatives are not already registered, the grant of probate or letters of administration of the deceased proprietor limited to the settled land,
  - (ii) a transfer in Form AS1 or AS2, as appropriate,
  - (iii) an application for entry of a restriction in Form G or H, as appropriate.
- (b) The transfer must contain the following provisions with any necessary alterations or additions—

“The Personal Representatives and the Transferee declare that—

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(2) 1925 c. 23.

*Status: This is the original version (as it was originally made).*

- (a) the Property is vested in the Transferee upon the trusts declared in [a trust deed dated *(date)* and made between *(parties)*] or [the will of *(name of deceased)* proved on *(date)*],
  - (b) the trustees of the settlement are *(names of trustees)*,
  - (c) the power of appointment of new trustees is vested in *(name)*,
  - (d) the following powers relating to land are expressly conferred by the will in addition to those conferred by the Settled Land Act 1925: *(set out additional powers)*.”.
- (2) Where the settlement ends on the death of the proprietor, an application to register a transfer by the personal representatives to the person entitled must be accompanied by—
- (a) if the personal representatives are not already registered, the grant of probate or letters of administration of the deceased proprietor,
  - (b) Form RX3 for cancellation of the restriction entered on the register relating to the settlement.
- (3) The registrar shall not be under a duty to investigate the reasons any transfer is made by the personal representatives or consider the contents of the will and, provided the terms of any restriction on the register are complied with, he must assume, whether he knows of the terms of the will or not, that the personal representatives are acting correctly and within their powers.

*Minority where settlement arises under a will or intestacy*

**13.**—(1) Where a settlement is created or arises under the will or intestacy of a person who died before 1st January 1997—

- (a) The personal representatives under the will or intestacy under which the settlement is created or arises must, during a minority, be registered as proprietors and will have all the powers conferred by the Settled Land Act 1925(3) on the tenant for life and on the trustees of the settlement.
  - (b) When a minor becomes beneficially entitled to an estate in fee simple or a term of years absolute in the registered land, or would, if he were of full age, be or have the powers of a tenant for life, the personal representatives must (unless they are themselves the statutory owner) during the minority give effect on the register to the directions of the statutory owner.
  - (c) In particular, the statutory owner shall, after administration is completed as respects the registered land, direct the personal representatives to apply for a restriction in Form H.
- (2) The application for the restriction in form H must be made by the personal representatives.
- (3) On an application by the personal representatives under sub-paragraph (2), the registrar shall be under no duty to consider or call for any information concerning—
- (a) the reason the application is made, or
  - (b) the terms of the will or the devolution under the intestacy, or
  - (c) whether the direction by the statutory owner was actually given or not, or its terms,
- and whether he has notice of those matters or not, he must assume that the personal representatives are acting according to the directions given and that the directions were given by the statutory owner and were correct.

(4) A donee dealing with the personal representatives who complies with the restriction entered under sub-paragraph (2) is not concerned to see or enquire whether any directions have been given by the statutory owner with regard to the disposition to him.

(5) Where under subsection (3) of section 19 of the Settled Land Act 1925 there is a tenant for life of full age, he shall be entitled to be registered as proprietor during any minority referred to in that subsection, but subject to the restrictions in Forms G or I, as appropriate.

(6) Nothing in this paragraph shall affect the right of a statutory owner to be registered as proprietor.

*Discharge of registered land from beneficial interests and powers under a settlement*

**14.** Where the trustees of a settlement desire to discharge registered land from the beneficial interests and powers under the settlement they may do so by any document sufficient to discharge it.

*Discharge from liability in respect of beneficial interests and powers under a settlement*

**15.** Where a proprietor or the personal representatives of a deceased proprietor has or have, in good faith, complied with the requirements of this Schedule in executing a transfer of settled land or discharge of trustees and in applying for the appropriate restrictions that may be required for the protection of the beneficial interests and powers under a settlement—

- (a) he is or they are absolutely discharged from all liability in respect of the equitable interests and powers taking effect under the settlement, and
- (b) he is or they are entitled to be kept indemnified at the cost of the trust estate from all liabilities affecting the settled land.

*Interpretation*

**16.—**(1) In this Schedule—

- “capital” money has the same meaning as in the Settled Land Act 1925,
- “personal representatives” includes the special personal representatives for the purposes of any settled land where they have been appointed in relation to that land,
- “settled land” has the same meaning as in the Settled Land Act 1925,
- “settlement” has the same meaning as in the Settled Land Act 1925,
- “statutory owner” has the same meaning as in the Settled Land Act 1925,
- “tenant for life” has the same meaning as in the Settled Land Act 1925,
- “transfer” includes an assent and a vesting assent,
- “trustees of the settlement” has the same meaning as in the Settled Land Act 1925,
- “vesting assent” has the same meaning as in the Settled Land Act 1925.

(2) References in this Schedule to the “tenant for life” shall, where the context admits, be read as referring to the tenant for life, statutory owner, or personal representatives who is or are entitled to be registered.

(3) Nothing in this Schedule modifies the provisions of section 2 of the Trusts of Land and Appointment of Trustees Act 1996<sup>(4)</sup> concerning settlements in relation to their application to registered land (as defined in section 89(3) of the Act).

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(4) 1996 c. 47.

**Status:** *This is the original version (as it was originally made).*