**GIFT OF SHARES IN A PRIVATE LIMITED COMPANY BY WAY OF DECLARATION OF TRUST**

THIS DECLARATION OF TRUST is made on the \_\_\_\_\_\_ day of \_\_\_\_\_\_ 20\_\_\_\_\_\_ by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [insert the name, address, etc. of donor] (hereinafter called the trustee).

WHEREAS :

1. The trustee is the registered holder of \_\_\_\_\_\_\_\_\_ fully paid ordinary [*or as the case may be*] shares of each [numbered \_\_\_\_\_\_\_ to \_\_\_\_\_\_\_\_ inclusive] in the capital of \_\_\_\_\_\_\_\_\_\_\_\_ Limited (hereinafter called the company) a private company incorporated under the Companies Act, 1956.
2. The trustee desires to make a gift of the said shares to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [ insert the name, address etc. of *donee*] (hereinafter called the donee) [the *state relationship if any*] of the trustee] but owing to the restrictions imposed by the articles of association of the company he is unable to transfer the same into the name of the donee.

NOW THIS DEED WITNESSETH as follows:

1. In consideration of his natural love and affection for the donee the trustee hereby declares himself a trustee of the said shares for the donee absolutely and that he will henceforth hold the said shares upon trust.
2. To pay apply dispose of and deal with the said shares and all dividends bonuses and other monies to which he may at any time hereafter become entitled in respect of the same or any of them and to exercise all voting and other powers and rights attached or hereafter to be attached to the same or any of them in such manner in all respects as the donee shall from time to time direct; and if and whenever requested by the donee so to do to use his best endeavours to procure the said shares to be transferred into the name of the donee in the books of the company and to execute and do all instruments and things necessary for that purpose.
3. The power of appointing a new trustee or new trustees hereof is vested in the donee.

IN WITNESS etc.

[*Signature of donor*]