



## Terms and Conditions

### *for the Collective Retirement Account*

These **terms and conditions** only apply to Collective Retirement Accounts that are on Charge Basis 3. If your account is on Charge Basis 1 or 2, please refer to the Charge Basis 1 and 2 terms and conditions.

*This product is provided by  
Quilter Life & Pensions Limited.*

**These terms and conditions (including the schedules mentioned below) and the online Customer Centre terms and conditions (if you have agreed to these terms) together form a legally binding agreement between you, the account holder, and us, Quilter Life & Pensions Limited, for the Collective Retirement Account.**

Your **account** is held under the Quilter Personal Pension Scheme, a personal pension scheme registered with **HMRC**. The **account** is a unit-linked life assurance contract under which we provide benefits on retirement or death, if earlier, in return for the payment of one or more investments. The scheme is subject to the Finance Act 2004 and regulations made under that Act, including any changes made before or after the date of this **agreement**. Your **account** is governed by the rules of the Quilter Personal Pension Scheme, a copy of which is available on request.

References to “we”, “us” or “ourselves” in these terms are references to Quilter Life & Pensions Limited of Quilter House, Portland Terrace, Southampton, SO14 7AY, as scheme administrator.

Please read this **agreement** carefully. If there is anything that you do not understand, please ask for further information. Our contact details are below.

Terms that appear in **bold** are explained in the Glossary on pages 29–32.

The following schedules also form part of your **agreement** with us:

- the **Charges, fees and rebates guide**
- the **Account eligibility and requirements guide**.

The following documents also provide important information about your **account**:

- the **Key features document**
- the Funds and ETI Lists

If you would like this **agreement** in Braille, Moon Braille, Audio, Translation, Open Dyslexic font or large print, please contact us at:

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Quilter House  
Portland Terrace  
Southampton  
SO14 7AY

0808 171 2626

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## Opening an account

### 1. Eligibility

- 1.1 The requirements for opening an **account**, including the minimum investment requirements and eligibility criteria, are set out in the **Account eligibility and requirements guide**.

### 2. Application

- 2.1 To open or top up an **account**, our current application form must be completed and sent to us. This must be sent **online** by your **financial adviser** using our **adviser extranet**, unless we allow it in any other format.
- 2.2 Your application must be accompanied by valid payment of your investment in pounds sterling. Valid payment methods are: a cheque, electronic bank transfer or a Direct Debit instruction.

See sections 22, 23 and 24 for more information about the **instructions** we accept. Please be aware that if you are sending payment for more than one application you need to send separate payments for each application, rather than sending us a single payment to be split.


- 2.3 We will not be able to accept your application until we receive proof of your identity and address and any other information we may reasonably need. We may ask you to provide evidence of the source of the money for your investment.
- 2.4 If we accept your application, we will send you an **acknowledgement**. If your application was made online, your **financial adviser** can provide you with details of the information sent to us on your behalf. You should check this information to make sure it is correct and you must tell your **financial adviser** or us if any corrections need to be made. Your **acknowledgement** gives you a form to sign to provide us with a specimen of your signature. If you have signed up to our **online Customer Centre**, you will be able to see your **acknowledgement** in your document library, or your **financial adviser** can give you a copy.
- 2.5 For applications made online, we are also required by **HMRC** to send you an additional document containing the personal information sent to us by your **financial adviser** and the regulatory declaration you made as part of the application. You will therefore receive a separate 'online declaration' direct from us once your **financial adviser** has submitted your application. If any details on the online declaration are incorrect, you must let us know within 30 days of receiving it so that we can make any necessary corrections.
- 2.6 If your application is an **instruction to transfer** from another pension scheme, we will only be able to accept your application when the **transfer** is complete.

Please refer to section 10.10 for more information about **transferring** into your **account**.

- 2.7 If your application is unclear or incomplete, or we need more information from you, we will let you or your **financial adviser** know. You must provide the additional information or clarification we ask for. In the meantime we will hold your payment in our bank account. If we have not received the additional information or clarification within ten **working days** we may return the sum paid to us as part of your application.
- 2.8 We do not have to accept your application or give you a reason if we reject it. If we reject your application, we will refund any payment you have made.
- 2.9 Your **account** start date will be the **working day** on which we accept your application to open an **account**. We will notify you of your account start date in our **acknowledgement**. Your **account** start date may be earlier than the date on which we invest your payment.
- 2.10 If we have been asked to pay an initial fee to your **financial adviser**, we will only do this if we have first received confirmation of your authorisation in the format that we require. If we do not have confirmation of your authorisation to pay the initial fee, the fee will not be paid.
- We require a new fee authorisation if:
- a monetary initial fee is requested
  - the amount of a fee is increased; or
  - a change is made between monetary and percentage fees.

### 3. Changing your mind

- 3.1 You have 30 days to cancel your application to **transfer** in or an application to open an **account** starting from the date you receive our **acknowledgement**. You can do this by writing to us at our **head office** or by communicating in any other form that we reasonably accept. We will refund any Dealing Charges incurred on cancellation.
- 3.2 Where you have cancelled an application to open a new **account** we will refund any Product Charge deducted from your **account**. No deduction will be made for any Product Charge calculated but not yet applied.

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- 3.3** Where you have cancelled an application to **transfer**, the **transferring** scheme may not agree to accept the **transfer** back. If this happens you will need to instruct us to **transfer** to an alternative pension scheme. We will refund any Dealing Charges incurred on cancellation.
- 3.4** You have a right to change your mind within 30 days from when you receive confirmation of the transaction, when you first choose to **crystallise uncrystallised funds, ETIs, or cash** in order to take a withdrawal from your **account** for the first time using flexi-access drawdown.
- In addition to this you also have a right to change your mind within 30 days from when you receive confirmation of the transaction, when you first choose to take:
- a serious ill health lump sum
  - your first **small pension fund lump sum** from **uncrystallised funds, ETIs or cash**
- If you cancel in this period, your investment can be reinvested into a new **account** provided that you return to us any tax-free lump sum and **income withdrawal** payments already paid to you.
- Your money will be invested in accordance with this **agreement**.
- 3.5** We cannot repay any fees we have paid to your **financial adviser** or **discretionary investment manager (DIM)** if you cancel your application as above. If you cancel an application to **transfer** or open an **account** and the value of your investment has fallen during the cancellation period, you/the transferring pension scheme will only get back the fallen value of your investment, less any adviser and **DIM fees** already paid. If the value of your investment has increased during the cancellation period, you/the transferring scheme will only get back the amount that you invested, less any **adviser fees** and **DIM fees** already paid and we will keep any increase in the value. You should speak to your **financial adviser** about whether repayment of **fees** is appropriate in these circumstances.
- 3.6** If you have authorised an **adviser fee** or **DIM fee** but choose to cancel your application before payment of the fee is made you may be liable to pay the outstanding amount directly to your **financial adviser**.

Please refer to the **Charges, fees and rebates guide** for information about the costs associated with **ETIs** as well as adviser and **DIM fees**.

- 3.7** If you cancel your application and your investment is invested in a suspended **fund** or **ETI**, we will process your **instruction** to cancel but will only be able to return your investment in the active **funds** and **ETIs** subject to term 3.5. Once the suspension has been removed we will send any amount owed subject to term 3.5.
- 3.8** If your **account** was originally on Charge Basis 1 or 2 and you have chosen to convert it to Charge Basis 3, you cannot change your mind and revert to the previous Charge Basis.
- 3.9** If your request to convert to Charge Basis 3 accompanied an **instruction** to top up your **account**, you can change your mind about the top-up application in line with clauses 3.1, 3.2, 3.3 and 3.4 but your **account** will remain on Charge Basis 3.

## Your account

### 4. How your account works

- 4.1** The investments you make into your **account** (less any applicable charges and fees or **immediate maximum tax-free lump sum**) are used to purchase **units** in **funds**, shares in **ETIs** or held as **cash**. **Cash** will be held within a **pooled bank account** as explained in term 6 below.
- 4.2** All **uncrystallised assets** in your **account** will be held in one **sub account**. Lump sums, regular investments and **transfers** in of **uncrystallised assets** will be allocated to the **uncrystallised sub account**. **Crystallised assets** in your **account** will be held in a separate **sub account** or **sub accounts**. **Transfers** in of **crystallised** pensions will be allocated to a new, separate **sub account** within your **account**. The first time you **crystallise** within your **account**, we will create a separate **sub account** for the newly **crystallised** money. Any further new **crystallisations** within your **account** will be allocated to this **sub account**.
- 4.3** Each **sub account** will have its own reference number and holding of **funds, ETIs** and **cash**. They will appear separately on the statements and correspondence we send you.
- 4.4** The value of your **account** at any time is equal to the **bid value** of the **units** in **funds**, shares in **ETIs** plus any **cash** that you have chosen (less any applicable charges). However you do not own the **units**, the **funds**, the shares in the **ETIs** or any underlying assets, which remain our property.

For details of the charges please see the **Charges, fees and rebates guide**.



## Assets

### 5. Funds

- 5.1 You can invest into **funds** from our published Funds List.
- 5.2 **Funds** may offer a choice of **income units** or **accumulation units**.
- 5.3 If you do not tell us which **unit** type you want to buy, we will buy **accumulation units**. If **accumulation units** are not available, we will buy **income units**.
- 5.4 If you select a **fund** which is not available, we will contact you for revised **instructions**.

### 6. Cash

- 6.1 You can choose to hold some or all of your investment as **cash**. **Cash** may also be held within a **model portfolio**, described under terms 9 or **Managed Portfolio** described under term 39.
- 6.2 Cleared credit balances in a **pooled bank account** that are credited to **cash** within your **sub account** may earn interest or have interest deducted (if the interest rate is negative). Interest on **cash** is calculated daily and paid or deducted on the first **working day** of the month, at a rate set by us. Interest is only earned on **cleared cash** balances.

A negative interest rate means that there is a cost associated with depositing with the banks. Where the rate is negative this will be reflected in the rates set by us. Details of our external banking partners and current interest rates are on our website at [platform.quilter.com/fund-ranges/Fund-information/Interest-Rate-On-Cash-Deposit/](https://platform.quilter.com/fund-ranges/Fund-information/Interest-Rate-On-Cash-Deposit/)

- 6.3 Interest earned on **cash** is paid without deduction of tax.
- 6.4 All **cash** will be held within a **pooled bank account** held in the name of the **trustee**.
- 6.5 The **pooled bank account** will be held with a **UK-authorized financial institution** legally able to accept deposits (as listed in the Financial Services Register).
- 6.6 We will record the relevant **cash** in a **pooled bank account** held by the **trustee** in respect of **cash** within your **sub account** as appropriate. When we pay **cash** into, or out of, the **pooled bank account** on your behalf, we will record this by crediting or debiting the relevant amount in **cash** within your **sub account** as appropriate.
- 6.7 We will exercise due skill, care and diligence in selecting the **financial institution** in which to hold the **pooled bank account** but will not be liable for the acts or omissions, insolvency or dissolution of the **financial institution**.
- 6.8 We may decide to appoint one or more alternative **financial institutions** to hold the **pooled bank account** from time to time where we believe it is reasonable to do so.
- 6.9 Although we will operate the **pooled bank account**, the **trustee** will also be authorised to open (at our discretion) the **pooled bank account** in accordance with the Trust Deed, the Scheme Rules and its mandate.

### 7. Exchange traded instruments (ETI's)

- 7.1 You can invest into **ETIs** from our published ETI List.
- 7.2 If you select an **ETI** which is not available, we will contact you for revised **instructions**.
- 7.3 **ETIs** are purchased by our **stockbroker** and our Dealing Charge and associated costs apply for each transaction involving the purchase or sale of **ETIs**.
- 7.4 In exceptional circumstances we may not honour a transaction to buy an **ETI**. For example if we deem an **ETI** to be difficult to sell or if the transaction could result in our becoming a majority holder in the **ETI**. In such an event your investment amount will be held as **cash** within your **account** until we receive alternative **instructions**.

### 8. Reinvestment of income

- 8.1 If you have invested in **income units** of a **fund**, or invest in **ETIs**, any income received will be **reinvested** into your **account**. You can choose to:
  - a) **reinvest** the income into the **fund** or **ETI** from which it was paid, which we will do up to ten **working days** after we receive it, or
  - b) hold the income as **cash** within your **account**.

If the **fund** or **ETI** is part of a **model portfolio**, and 8.1(a) is chosen by your **financial adviser** or **DIM** then the income will be **reinvested** into the **model portfolio** in line with term 9.4. If the **model portfolio** has been closed by your **financial adviser** or **DIM** then the income will be held as **cash** within your **account**.



- 8.2 We may **reinvest** income into a **fund** or **ETI** within your **account** after we have processed an **instruction** to **switch** all of your **units** out of that **fund** or **ETI**. If this happens, the **units** bought with the **reinvestment** will remain in the original **fund** or **ETI** until you **instruct** us to **switch** it.
- 8.3 Where we are unable to invest income into the **fund** or **ETI** from which it was paid it will be held as **cash** within your **account**.
- 8.4 **Reinvestment** of **ETI** income is subject to our Dealing Charge and associated costs.

## 9. Adviser and discretionary managed model portfolios

- 9.1 Your **financial adviser** and **DIM** may provide **model portfolios** into which you can invest.
- 9.2 Your **financial adviser** and **DIM** may use any combination of the investments covered in terms 5, 6 and 7 to build these **model portfolios**.
- 9.3 For providing **model portfolios**, your **DIM** may apply an additional fee to your **account**. This is described as a **discretionary management portfolio fee**. Your **financial adviser** will be able to confirm the amount of any applicable **discretionary management portfolio fee**.
- 9.4 Once invested into a **model portfolio**, any additional investments made into the **model portfolio** follow a preference set by your **financial adviser** or **DIM**. This will either be to invest in **funds** and **ETIs** within the model to bring the model back to its target allocation (or closer to it) or to invest into **funds** and **ETIs** in line with the target allocation.
- 9.5 Once invested into a **model portfolio**, any sales from the **model portfolio** to cover withdrawals, fees and charges follow a preference set by your **financial adviser** or **DIM**. This will either be to sell **funds** and **ETIs** within the model to bring the model back to its target allocation (or closer to it) or to sell **funds** and **ETIs** in line with the current proportions within the **model portfolio**.

Your **financial adviser** or **discretionary investment manager** may also choose to rebalance your **model portfolio** regularly. Rebalancing is the process of periodically buying or selling **Funds** or **ETIs** in a **model portfolio** to maintain an original desired level of asset allocation.

For details of the charges please see the **Charges, fees and rebates guide**.

## 10. Investing in your account

- 10.1 You can **instruct** us to invest in your **account** by:
- making a lump-sum investment
  - making a regular investment
  - transferring** from an existing pension scheme.
- 10.2 For lump-sums, regular investments and **cash transfers**, we use your investments (less any applicable charges and **adviser fees, DIM fees, immediate maximum tax-free lump sum**) to buy **units** on your behalf in the **funds** and **ETIs** you have selected, by liaising with the **fund manager(s)** and our **stockbroker** to transmit your **instructions** to them. The number of **units** allocated to each **fund** or **ETI** will be determined by dividing the value of the investment allocated to that **fund** or **ETI** by the relevant price of the **units** on the day they are bought.
- 10.3 Where you have chosen to invest in **ETIs** they can only be purchased in whole **units**. If the part of an investment amount which is allocated to buy an **ETI** is unable to buy an exact number of **units**, any residual value will be held as **cash** within your **account**. This could result in no **units** being purchased where the investment amount is less than the cost of one **unit**. Where this happens we will not take our Dealing Charge.  
For example, if you ask to invest £10,000 in an **ETI** with a price of £1.79 we will purchase 5,586 **units** for £9,998.94 with the remaining £1.06 being held as **cash**. This example doesn't include our Dealing Charge and associated costs which would apply prior to the calculation of **units** to purchase.

For details of the charges please see the **Charges, fees and rebates guide**.

- 10.4 Regular and lump-sum investments from you or a third party will be paid net of basic rate tax but allocated gross. Employer's investments are paid on a gross basis.
- 10.5 If regular investments are paid into your **account**, by you or a third party, these are on a net basis, so if the rate at which we can reclaim tax changes this will result in a change in the amount of money allocated to your **account**.

For example, if you invest £100 per month into your **account**, we will take £80 a month from your bank account and claim back basic rate tax at 20%. If the rate at which we can reclaim tax changed to 25%, we would continue to take £80 a month from your bank account, so that £106.66 will be paid into your **account**.



10.6 Lump-Sum and regular investments are allocated to your **uncrystallised sub account**.

Please see the **Account eligibility and requirements guide** for information regarding pension input periods.

10.7 We may process your **instruction** to make an investment before your payment has cleared. If your payment does not clear, the bank does not honour your payment or your payment is cancelled for any reason, we will cancel any investments we have made and you will be liable to us for our losses if the value of your investment has fallen. We will keep any increase in the cancelled investment value.

10.8 Lump-sum investments

You can pay lump-sum investments into your **account** by cheque or bank transfer.

10.9 Regular investments

- a) If you want to make regular investments into your **account**, these may be by monthly or annual Direct Debit.
- b) We collect regular investments by Direct Debit on any date you choose between the 1st and 28th inclusive.
- c) If your chosen collection date does not fall on a **working day**, we will take the payment on the next **working day**.
- d) If we receive your Direct Debit **instruction** less than ten **working days** before your chosen collection date, we cannot guarantee that it will take effect from that date.
- e) You can cancel or change a Direct Debit **instruction** or **instruct** us to **redirect** a regular investment at any time. If we receive your **instruction** less than ten **working days** before the next Direct Debit collection date, we cannot guarantee that it will take effect from that date.
- f) If you change your Direct Debit amount for a regular investment, we will continue to buy **funds, ETIs** or **cash** on the current percentage basis unless you **instruct** us otherwise. If you increase the Direct Debit amount and give us new **instructions**, these must relate to the whole of your revised regular investment and not just the change.

Please refer to section 12.2 for information about what happens to regular investments when you **switch funds**.

- g) You can **instruct** us to increase your regular investment amount each year by the increase in **average weekly earnings (AWE)** over the previous 12 months, from the date your application was submitted. If you **instruct** us to use the **AWE**, we will adjust your regular investment amount using the final **AWE** rate published in the previous month. If there is a fall in the **AWE**, we will not reduce your regular investment amount. The increase will take effect from the next collection following the anniversary of the Direct Debit being set up.
- h) Up to three concurrent regular investments can be made to your **account** at any time. A maximum of 1 **account holder** investment, employer investment and third-party investment can be made at any time. Each investment can have a different collection date and frequency.

10.10 **Transferring** from an existing pension scheme

If you wish to **transfer** from an existing pension scheme, we will not be able to process your **instruction** until we receive appropriate documentation from the **transferring** scheme in a format acceptable to us.

10.11 We will only accept a **transfer** of **Defined Benefits** or **Safeguarded Benefits** if you have received advice from a suitably qualified and authorised **financial adviser**. We will not accept a **transfer** if your **financial adviser** has advised you that a **transfer** would not be suitable for your personal circumstances.

10.12 We will accept **transfers** of **uncrystallised** and **crystallised** pensions.

10.13 **Transfers** of **uncrystallised** pensions are allocated to your **uncrystallised sub account**. In some cases **transferred** amounts will not be able to go into your existing **account** and will have to go into a new **account** with a different **account** number. For example where a **disqualifying pension credit** following a divorce settlement is received. An **account** which includes a **disqualifying pension credit** cannot accept any other investments into it.

10.14 **Transfers** of **crystallised** pensions are allocated to a new **crystallised sub account**. **Transferred** in **crystallised sub accounts** cannot accept additional **crystallisations** into them.

10.15 You can **transfer** into your **account** by **instructing** a **cash transfer** or by **re-registering funds** or **ETIs** that you hold with another pension scheme.

10.16 **Re-registration** of a **fund** or **ETI** must be for all of the **units** in the **fund** or **ETI** that you hold within the **transferring** pension scheme.





- 10.17 If you request the **re-registration** of a share class of a **fund** and we offer a different share class which is better value, for example a lower annual management charge (AMC), we will request the **fund manager(s)** of the **fund(s)** to carry out a conversion to the better value share class shortly after the **transfer**.
- 10.18 If you request the **re-registration** of a **fund** or **ETI** that is not on our Funds List or ETI list, we will carry out a **cash transfer**, which means the **fund** or **ETI** will be sold and the cash proceeds will be held in **cash** in your **account** until we receive valid **instructions** to **switch** it into one or more **funds** or **ETIs**.
- 10.19 We might receive income from your previous pension scheme, which was generated by your **funds** or **ETIs** before they were **transferred** to us, if this happens, we will act as below.
- If we receive such income as a **cash** payment, it will be held as **cash** within the relevant **sub account**.
  - If we receive such income as additional **units**, we will add the extra **units** into the relevant **sub account**.
- 10.20 When **funds** or **ETIs** are **re-registered**, the number of **units re-registered** will usually be the same as previously held but the value may change due to market movements during the **re-registration** process. The number of **units re-registered** may be different if your previous pension scheme has applied a charge prior to the **re-registration** taking place.
- 10.21 Where a **fund** or **ETI** is being **re-registered** into your **account**, the **re-registration** must be completed before we can process any subsequent **instructions** in relation to that **fund** or **ETI**. We will notify you when the **re-registration** of a **fund** or **ETI** is complete.
- 10.22 Where you **re-register** **ETIs** into your **account**, they can only be **transferred** in whole **units**. Any residual **units** will need to be sold and **transferred** as cash.
- ## 11. Phased investment
- 11.1 You can **instruct** us to **phase** any **cash** you hold, a lump sum or a **cash transfer** into **funds** and **ETIs** (including **model portfolios** and **Managed Portfolios**) in a **sub account**. We will hold your investment as **cash** then **phase** your investment into your chosen **funds** and **ETIs** over 3, 6 or 12 months as specified in your **instruction**.
- 11.2 You can choose the month in which you want the **phasing** to start. We will calculate your first instalment on the first **working day** of that month. However, if we receive your **instruction** less than ten **working days** before the required start date, we cannot guarantee that it will take effect for that month.
- 11.3 If you do not specify a start month, we will calculate your first instalment on the first **working day** of the month after we receive your **instruction**. However, if we receive your **instruction** less than ten **working days** before the first **working day** of the next month, we cannot guarantee that your **instruction** will take effect for that month.
- 11.4 We will calculate each **phased investment** instalment by dividing the investment amount by the number of months you specify at the time of giving the **instruction**. If the calculation results in more than two decimal places each instalment will be rounded down to two decimal places. Any excess from this rounding will be held as **cash** within your **account**. Where deductions have been made from **cash** since giving the **instruction** to **phase**, for example to cover fees and charges, the final instalment of your **phased investment** may be less than other months.
- 11.5 We will liaise with the **fund manager(s)** and our **stockbroker** to transmit your **instructions** to them for each **phased investment** instalment on the first **dealing day** of the month. Each **phased investment** instalment into **ETIs** is subject to our Dealing Charge and associated costs.
- 11.6 Your **instruction** to **phase** will continue until completed or cancelled. You can cancel an **instruction** to **phase** at any time. However, if we receive your **instruction** less than ten **working days** before the next calculation date, we cannot guarantee that your cancellation will take effect for that month.
- 11.7 Your **instruction** to **phase** will also be cancelled if:
- a) there is no **cash** in the relevant **sub account** when **phasing** is due to occur
  - b) you **switch** the entire **sub account** (including **cash**) into different **funds** and **ETIs** to those selected for your **phased investment**
  - c) we are notified of your death
- 11.8 If you instruct us to **crystallise cash** held for **phasing** into **assets**, that **phasing instruction** will not pass over onto the **crystallised sub account**.



## Making changes to your account

### 12. Switching and redirecting

12.1 You can **instruct** us to **switch** either:

- a) a percentage of your investment in a **fund, ETI** or **cash** (including **model portfolios** and **Managed Portfolios**); or
- b) a specified monetary amount held in a **fund, ETI** or **cash** (including **model portfolios** and **Managed Portfolios**).

We will carry out your **instructions** by communicating them to the **fund manager(s)** and our **stockbroker** on your behalf.

Please refer to the **Account eligibility and requirements guide** for more information about the restrictions on **switching**.

Please refer to term 25 for what happens if a **fund** or **ETI** is closed or suspended.

12.2 If you have an existing **instruction** to make a regular investment into a **fund** or **ETI** or if you are **phasing** an investment into a **fund** or **ETI**, an **instruction** to **switch** from that **fund** or **ETI** only applies to the **units** you hold at the time of the **instruction** and not the regular or **phased investment** itself. We will continue to use the regular or **phased investment** to buy **units** in the original **fund** or **ETI**, by liaising with the **fund manager(s)** or our **stockbroker** to transmit the **instructions** on your behalf, unless you **instruct** us otherwise.

12.3 If you **instruct** us in writing to **switch** to or from multiple **funds** or **ETIs** we will treat this as one **instruction**. This means that if we cannot complete any part of that **instruction** we will delay processing it until all of the **switches** can be completed.

12.4 Where you **instruct** us to **switch**:

- a) a percentage from **funds, cash** and **ETIs** (including **model portfolios** and **Managed Portfolios**) we will buy the new **units** on the first **dealing day** after all of the sales have been confirmed and we receive confirmation from the **fund managers** and our **stockbroker** of the relevant price for each sold **fund** and **ETI**. It may take up to five **dealing days** to complete your **instruction**
- b) a specified monetary amount
  - i) held in a **fund(s)** or **cash** (including **model portfolios** and **Managed Portfolios**) we will send **instructions** to the **fund managers** to buy the new **units** at the same time as we send **instructions** to the **fund managers** to sell the existing **units**.
  - ii) held in **ETIs** (including **model portfolios** and **Managed Portfolios**) we will send **instructions** to buy the new **units** the same **working day** or the **working day** after we send the **instruction** to our **stockbroker** to sell the existing **units**.

Please refer to section 24 for information about when we process your **instructions**.

12.5 **ETIs** can only be purchased in whole **units**. Therefore if you choose to **switch ETIs**, we will apply the following rules for the **switch**:

- Where **ETIs** are being sold we will round up the number of **units** sold.
- Where **ETIs** are being purchased we will round down the number of **units** bought.

Where this rounding results in a residual value this will be held as **cash** within your **account**. This could result in no **units** being purchased where the purchase amount is less than the cost of one **unit**.

12.6 You can **instruct** us to change ('**redirect**') the **funds** or **ETIs** or both, bought with future regular investments at any time. If we receive your **instruction** less than ten **working days** before the next Direct Debit collection date, we cannot guarantee that it will take effect from that date.

### 13. Refunds

13.1 If investments in a particular **tax year** have been made into your **account** that are more than the amount eligible for tax relief under the **regulations**, at the end of the relevant **tax year** you can ask us to repay the excess investment that is not eligible for tax relief. The maximum amount currently eligible for tax relief is shown in the **Account eligibility and requirements guide**.

13.2 We will sell **units** from **uncrystallised funds, ETIs** or **cash** in your **account** (including **model portfolios** and **Managed Portfolios**) proportionally, to the value of the amount of excess investments including any tax relief received, which will be refunded to **HMRC**.

13.3 If there are not enough **uncrystallised funds, ETIs** or **cash** in your **account** to facilitate the refund to

HMRC, you must contact HMRC directly to arrange a refund of the excess tax relief.

For example, if the excess investment in a **tax year** was £1,000, we will sell **funds, ETIs** or use **cash** to the value of £1,000. We will refund to you £800 (based on 20% tax relief) and £200 of tax relief will be returned to HMRC.

## Taking your retirement benefits

### 14. Retirement benefits

14.1 You may take **retirement benefits** at any time after you reach the **normal minimum pension age**. The **retirement benefits** available to you are as follows:

- a) receive a tax-free lump sum or
- b) make **income withdrawals** or
- c) buy an **annuity**.

Please see the **Account eligibility and requirements guide** for details of the **normal minimum pension age**.

14.2 Other options may also be available to you depending on your circumstances. These are described in section 18.

14.3 An **instruction** to do some of the above or to **transfer** your **account** to a qualifying recognised overseas pension scheme is known as a benefit crystallisation event. The **regulations** require us to compare the amount being **crystallised** from your **account** with your available **lifetime allowance** to determine whether there is a tax liability. If you exceed your **lifetime allowance**, you will be liable to a tax charge, which we will deduct from your **account** and pay to HMRC.

14.4 Reaching age 75 is also a benefit crystallisation event. Under the **regulations** we are required to compare the amount of applicable **funds, cash** and **ETIs** in your **account** at that time with your available **lifetime allowance** to determine whether there is a tax liability. If you exceed your **lifetime allowance**, you will be liable to a tax charge, which we will deduct from your **account** and pay to HMRC.

14.5 All other tests against the **lifetime allowance** will take place once we receive the proceeds of the sale of any **funds** or **ETIs** that are included in the **crystallisation instruction**.

14.6 You can take **retirement benefits** from:

- a) all of your **account**
- b) part of your **account**
- c) lump-sum investments or **transfer** investments only and leave the rest of your **account** invested.

Where an **immediate maximum tax-free lump sum** is to be taken from a lump-sum or **transfer** investment, please refer to section 15.5.

### 15. Tax-free lump sum

15.1 You can **instruct** us to pay you a tax-free lump sum from any **uncrystallised funds, cash** and **ETIs** in your **account**, as permitted under the **regulations**.

The maximum tax-free lump sum that you can take under the **regulations** is usually 25% of the amount being **crystallised** to provide for a retirement benefit. The payment of a tax-free lump sum is dependent on you having enough **lifetime allowance** at the time you make the withdrawal. You may be able to take more, or less, than the standard 25% and you should contact your **financial adviser** for more details. If you are entitled to a 25% tax-free lump sum and want to drip feed it to provide a regular income rather than taking it as a one-off lump sum then this can be achieved using the **tax-efficient regular income** option.

15.2 We will pay any tax-free lump sum within ten **working days** after receiving everything that we need to make the payment.



- 15.3 Where you request a one-off payment of a tax-free lump sum we will use available **cash** held in your **uncrystallised sub account** to make the payment to you. Where there is insufficient **cash** available to pay the whole of the tax-free lump sum requested (including any **lifetime allowance** excess tax charge), you can **instruct** us to raise the money to pay your tax-free lump sum in one of the following ways:
- by selling **units** from **funds, ETIs** (including **model portfolios** and **Managed Portfolios**) and **cash** proportionally, based on their value at the time of sale
  - by selling from specific **funds, ETIs** (including **model portfolios** and **Managed Portfolios**) and **cash**.

This does not apply to an **immediate maximum tax-free lump sum** (as no sale of **units** is required to pay the tax-free lump sum).

- 15.4 Where you **instruct** us to **crystallise** all of your **uncrystallised sub account** (excluding any suspended **funds** or **ETIs** if applicable) in order to take a tax-free lump sum and there is not enough available **cash** to pay the whole amount of the tax-free lump sum, we will sell an additional 10% of the **funds** and **ETIs** selected with any residual amount being held in **cash** and moved to the **crystallised sub account** to provide for further **income withdrawals**. The test against the **lifetime allowance** and the calculation of the amount of tax free lump sum payable will take place up to three **working days** after the **funds, ETIs** or **cash** that are being **crystallised** have been sold. The additional 10% will also include any **lifetime allowance** excess charge included in your **instruction**.
- 15.5 You can **instruct** us to pay you a tax-free lump sum from a **transfer** of an **uncrystallised** investment or lump-sum investment that you make into your **account**. After we pay you the tax-free lump sum, we will invest the balance of your investment into a **crystallised sub account** and use it to provide you with **income withdrawal**. This is known as an immediate maximum tax-free lump sum.

If you want to take an **immediate maximum tax-free lump sum**, you must tell us at the time that you make your **transfer** or lump-sum investment. Otherwise, we will invest the full amount of your investment and charges or fees will apply to the full amount. You may then get a lower tax-free lump sum than you were expecting.

- 15.6 If you take less than the **immediate maximum tax-free lump sum** you are allowed, or have not told us that you want to take an **immediate maximum tax-free lump sum** when you pay in the lump-sum or **transfer** investment, this is treated as a new investment. This means that you will have to pay charges and fees on the full amount of the investment. Also, the amount available for any tax-free lump sum and **income withdrawal** will be the value of **units, ETIs** and **cash** after the lump-sum payment or **transfer** investment has completed. Any charges that occur before completion of the investment will be deducted in the normal way. The number of **units, ETIs** and **cash** sold to pay for any tax-free lump sum will be based on the value at the time that you take your **retirement benefit**, and this may be different from the value on the original investment date because of changes in the market value of the **units**.
- 15.7 Payments of an **immediate maximum tax-free lump sum** and any ad hoc one-off tax-free lump sum will be made in pounds sterling by electronic bank transfer using **CHAPS**. No **CHAPS** charge will apply.

## 16. Taking income withdrawal

- 16.1 You can **instruct** us to pay you **income withdrawal** payments from your **account**. There are two types of **income withdrawal**:
- capped drawdown (only available for **account holders** who opted for capped drawdown before 6 April 2015)
  - flexi-access drawdown.
- 16.2 We will raise the money to pay your **income withdrawals** in one of the following ways, as specified in your **instruction**:
- by selling **units** from **funds, ETIs** (including **model portfolios** and **Managed Portfolios**) and **cash** in the relevant **sub account** proportionally, based on their value at the time of sale
  - by selling from specific **funds, ETIs** (including **model portfolios** and **Managed Portfolios**) and **cash** from the relevant **sub account**.
- 16.3 You can choose to receive one-off, monthly, quarterly, half yearly or yearly payments.
- 16.4 We will pay any one-off withdrawals within ten **working days** after receiving everything that we need to make the payment.
- 16.5 Where required by **HMRC** we will deduct income tax from any **income withdrawals** paid from your **account**.
- 16.6 We will only make payment to a **UK** bank account in your name.
- 16.7 Payments will be made in pounds sterling by electronic bank transfer using **BACS**.
- 16.8 For regular payments of **income withdrawals** we will start the process of selling **units** ten **working days** before the payment date.



- 16.9** Where you have selected to receive regular withdrawals we will make payment to your bank account on the day of the month between the 1st and 28th inclusive nominated by you. Where your chosen payment date is not a **working day** we will pay your regular withdrawals on the last **working day** before that date. There may be circumstances, such as the proceeds of a **unit** sale being received late, where we will send your withdrawal payment by **CHAPS**. This will result in your payment being received earlier than requested. No **CHAPS** charge will apply.
- 16.10** If for any reason, we are unable to raise the money to pay for a withdrawal payment under the **tax-efficient regular income** options as specified in your **instruction**, we will raise the money from **cash** held in the relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** proportionally from all of your **funds** (including **model portfolios** and **managed portfolios**) based on the value of your **sub account** at the time of the sale. If we are unable to raise the money to pay for a one-off or regular withdrawal of capped or flexi-access drawdown, no payment will be made and regular payment of **income withdrawals** will be cancelled.
- 16.11** Regular payments of **income withdrawals** will be cancelled if the only investment held in the **sub account** is a **fund** or **ETI** that is suspended as described in term 25.2. If you wish to recommence regular **income withdrawals** after the suspension has been removed, you will need to send us an **instruction** to do so. This term will also apply where the value in active funds or **ETIs** falls below your regular **income withdrawal** amount. Where this happens we will not make a part payment to you.
- 16.12** Capped drawdown (only available for **account holders** who opted for capped drawdown before 6 April 2015)
- a) If you are in capped drawdown, your withdrawals are subject to a maximum annual withdrawal limit. You can change the amount of your withdrawals at any time as long as they are not more than this maximum annual withdrawal limit.
  - b) The maximum annual withdrawal limit is set by the **regulations** and is calculated using your age, size of your investment and the rates set by the Government Actuary's Department (GAD).
  - c) We calculate the maximum annual withdrawal limit when we accept your **instruction** for **income withdrawal** and every three years until your 75th birthday. After your 75th birthday, it is recalculated every year.
  - d) If you **crystallise** more of your investment in the form of **income withdrawal** into a **sub account**, we will recalculate your maximum annual withdrawal limit for that **sub account**. This may increase or reduce your maximum annual withdrawal limit, depending on the rates set by the GAD, the value of your **sub account** and your age at the time of the recalculation.
  - e) You can elect to make additional designations into your capped drawdown **sub account** up to ten **working days** before your annual review date.
  - f) A recalculation is also triggered if you buy an **annuity** or a pension sharing order is transacted with part of your capped drawdown **sub account**. Your new maximum annual withdrawal limit will take effect at the start of the **pension year** after the one in which the recalculation takes place that is within the current three-year period.
  - g) When we review your maximum annual withdrawal limit every three years (every year after age 75), we carry out the calculation 60 days before the start of the **pension year** from which the new maximum annual withdrawal limit is to take effect.
  - h) We will write to you shortly before the start of each **pension year**, showing you what your maximum annual withdrawal limit would be if it were to be recalculated. You can choose whether to apply that recalculation from the start of the next **pension year**. To take effect we must receive your **instruction** at least ten **working days** beforehand. If you choose to do so, you will have three years (or until the next **pension year** after you reach age 75) before the next automatic recalculation.
  - i) You can nominate to switch to flexi-access from capped drawdown at any time.
  - j) You can have both capped drawdown and flexi-access drawdown **sub accounts** in your **account**. You can hold one capped drawdown **sub account** and one flexi-access drawdown **sub account** that can accept additional **crystallisations** from **uncrystallised funds**, **ETIs** and **cash**. Other **crystallised sub accounts** you hold within the **account** cannot accept additional **crystallisations**. **Transfers** in of capped drawdown or flexi-access drawdown cannot accept additional **crystallisations** into them.

The option to make additional designations into a capped drawdown **sub account** is only available to existing capped drawdown accounts that were migrated onto our new technology platform during 2020 about which we will have notified you. After the migration date all **crystallised transfers** will go into a new **sub account** that cannot accept additional **crystallisations** into them.



**16.13 Flexi-access drawdown**

- a) **Accounts** in flexible drawdown prior to 6 April 2015 have automatically been converted to flexi-access drawdown from 6 April 2015. New **accounts** set up after 5 April 2015 will be deemed to be in flexi-access drawdown unless the **funds** have been transferred from a capped drawdown account.
- b) If you choose flexi-access drawdown, there is no maximum annual withdrawal limit.
- c) You can **instruct** us to merge **crystallised flexi-access sub accounts**.

**16.14 Tax-efficient regular income\***

The higher your withdrawals, the more money will come out of your **account**. This may mean that you will not be able to maintain the same level of income in the future.

- a) You can **instruct** us to regularly **crystallise** part of your **account** to receive a regular monthly, quarterly, half yearly or yearly income from the **uncrystallised funds, ETIs and cash** in your **account**. These **crystallisations** will be treated as flexi-access drawdown.
- b) The options available are:
  - i) Regular payment is all tax-free. We pay 25% of this amount as a tax-free lump sum. The residual **crystallised** amount is moved to a **crystallised sub account** for future taxable **income withdrawals**.
  - ii) Regular payment is a mix of tax-free and specified taxable amounts. We pay 25% of this amount as a tax-free lump sum and a specified part of the residual **crystallised** amount as taxable income. The balance will be moved to a **crystallised sub account** for future taxable **income withdrawals**.
  - iii) Regular payment is a 25/75% mix of tax-free and residual taxable amounts. We pay 25% of this amount as a tax-free lump sum and the residual **crystallised** amount as taxable income.

\*The tax treatment and efficiency of these options will depend on the individual circumstances of each customer. Tax rules and their application may change in the future.

- c) The **tax-efficient regular income** will stop one month before you reach age 75 so that we can check your **account** value against the **lifetime allowance**. After this you can **instruct** us to restart payments to you.
- d) **Tax-efficient regular income** will cease if we become aware that you have insufficient **lifetime allowance** available.
- e) **Tax-efficient regular income** will cease when you have no tax-free lump sum entitlement left. A new **instruction** will be required to take further income from your **crystallised sub account(s)**.
- f) The option is not available if you are under the age of 55 or where one of the following applies:
  - i) Protected Low Retirement Age
  - ii) Scheme Specific Tax-Free Cash
  - iii) Primary Protection with Primary Protected PCLS
  - iv) you have selected ill-health early retirement
  - v) Disqualifying Pension Credit.

Your **financial adviser** can confirm if these apply to you

**16.15 Terms applicable to all types of retirement benefits**

- a) Payments will always be rounded down to the nearest penny where applicable.
- b) You can start, change or stop your **income withdrawal** payments at any time. To take effect before the next payment date, we must receive your **instruction** at least ten **working days** beforehand.
- c) If your **instruction** for an **income withdrawal** (excluding a full withdrawal of an **uncrystallised sub account**) includes an **ETI** we will round down the number of **ETI** shares to sell. Any **cash** held in the relevant **sub account** will be used to meet any shortfall in the withdrawal amount requested. If there is insufficient **cash** to meet the requested withdrawal amount then we will contact you for further instructions.
- d) If your **instruction** includes selling **ETIs**, our Dealing Charge and associated costs will be deducted from the proceeds before making payment to you
- e) If your **instruction** for a single one-off withdrawal is for a specified monetary amount, unless you have **instructed** us to sell all **units** in a **fund** or **ETI**, you can only withdraw up to the maximum amount allowed from that **fund** or **ETI** as detailed in the **account eligibility and requirements guide**.



- f) Where a payment is due to be made by **BACS**, we may agree to pay by **CHAPS**, in which case we will deduct a **CHAPS** charge.
- g) Where an **instruction** to take a **retirement benefit** includes a suspended **fund** or **ETI**, we will not be able to accept your **instruction**.

Please refer to the **Charges, fees and rebates guide** for details of the **CHAPS** charge.

## 17. Buying an annuity

- 17.1 You can **instruct** us to sell all or part of your **account** to pay you any tax-free lump sum (where allowable), and pay the balance to a pension **annuity** provider who has agreed to pay you an **annuity**.

## 18. Other options

- 18.1 Where special circumstances apply, such as a protected low pension age, ill-health or serious ill-health, you may be able to take your **retirement benefits** before **normal minimum pension age**.
- 18.2 You will be considered as being in ill-health under the **regulations** if we have received evidence from a registered medical practitioner that you have ceased to carry on an occupation due to ill-health, and will continue to be medically incapable (either physically or mentally as a result of injury, sickness, disease or disability) of continuing that occupation.
- 18.3 You can **instruct** us to make a serious ill health lump sum payment. You will be considered as being in serious ill-health under the **regulations** if we have received evidence from a registered medical practitioner that your life expectancy is less than 12 months.
- 18.4 You can **instruct** us to pay you a **small pension fund lump sum** in line with the **regulations**.
- 18.5 We will pay any **small pension fund lump sum** within ten **working days** after receiving everything that we need to make the payment.
- 18.6 We will raise the money to pay you a **small pension fund lump sum** by selling proportionally across all **funds, ETIs** (including **model portfolios** and **Managed Portfolios**) and **cash**.

You should speak to your **financial adviser** if you think any of these circumstances may apply to you.

## Death

### 19. Death

- 19.1 When you apply for your **account**, you will be asked to nominate a person or persons to receive benefits from your **account** upon the event of your death. The nominations you make are an expression of your wish and are applied at our discretion.
- 19.2 We will sell all the **funds** and **ETIs**, including any suspended **assets** based on their latest available value, in your **account** and it will be closed on written or verbal notification of your death. We will submit the **instruction** to sell to the **fund manager(s)** and our **stockbroker** no later than the end of the **working day** after the **working day** on which notification is received.
- 19.3 It is important that we receive notification of your death as soon as possible. We will require sight of the death certificate and any other documentation we may reasonably request.
- 19.4 When you die, the value of the **account** can be used to provide one or more beneficiaries/**dependants** with:
- a) a lump sum
  - b) an **annuity** from a pension **annuity** provider, in line with the **regulations**.
  - c) **income withdrawal** in line with the **regulations**.
- 19.5 On notification of your death, any pending **instructions** will be cancelled.
- 19.6 We will deduct any tax before making payment if we are required to by **HMRC**.

You can get more information about potential tax liability from your **financial adviser**.

## Transferring your account

### 20. Transfer to another provider

- 20.1 You can **instruct** us to **transfer** the value of your **account** to another pension scheme that accepts **transfers**. Partial **transfers** of **crystallised sub accounts** out of your **account** are not allowed except as part of a pension sharing order on divorce or dissolution of civil partnership.
- 20.2 If you want to **transfer** your **account** to another pension scheme, we must receive your authority to carry out the **transfer** in a format that is acceptable to us.



- 20.3 You can **transfer funds** and **ETIs** in your **account** by **re-registration** or as a **cash transfer** to another pension scheme.
- 20.4 To **transfer** to a new pension scheme you must **instruct** the new pension scheme first and give them your authority to carry out the **transfer**. The new pension scheme will send us confirmation of your authorised **instructions** and the required method of **transfer** for each **fund** and **ETI** within your **account**.
- 20.5 When we receive an **instruction** to **transfer** to a new pension scheme, we will treat that **instruction** as providing us with your authority:
- to request the **fund manager** of each **fund** to carry out any conversion to a share class that is available to the new pension scheme (where the current one held isn't offered); and
  - to take any other reasonable steps to bring about that conversion, in each case, as required to enable the **transfer** of any such **fund**.
- 20.6 If we incur any costs in **transferring funds** and **ETIs**, we reserve the right to pass these costs on to you by deducting them from your **account** before carrying out the **transfer**.
- 20.7 If we accept an **instruction** to **transfer** all of your **account**, we will not be able to accept any further **instructions** in relation to your **account**.
- 20.8 If a pension scheme tells us that they cannot accept the **transfer** of your **account**, we will not carry out any part of the **transfer** and we will ask you for further **instructions**.

If a **fund** or **ETI** being **transferred** from your **account** cannot be **re-registered** for any reason, we may be instructed by the new pension scheme to sell the **fund** or **ETI** and carry out a **cash transfer** instead.

- 20.9 Payment of a **cash transfer** will be made to the receiving pension scheme within ten **working days** of when we accept your **instruction**. We will pay the **transfer** proceeds as one amount once we receive them from the **fund managers** for all of the **funds** and **ETI** proceeds being **transferred**.
- 20.10 We will defer a **transfer instruction** if it is linked to a **fund** or **ETI** that is suspended until the **fund** or **ETI** unsuspends. However, if you have a statutory right to **transfer** we may defer the **transfer** up to six months from the date we accept your **transfer instruction**.
- 20.11 Where your account includes a **fund** or **ETI** that is suspended you may request to **transfer** the suspended **fund** or **ETI** by way of **re-registration** to another **registered pension scheme** that is willing and able to accept it. Such request is subject to our acceptance.

## 21. Closure of your account/sub account

- 21.1 When closing your **account/sub account** we will first complete all **instructions** being processed at the time. Closing your **account/sub account** does not affect any existing rights or duties under this **agreement**.
- 21.2 If you pay regular investments into your **account**, we will need to wait for the last Direct Debit payment to clear before making a full withdrawal or **transfer** payment. If you are receiving withdrawals we will need to wait for the last payment to clear before making a **transfer**.
- 21.3 If your **account/sub account** is closed for any reason including withdrawal, **transfer out**, **annuity** purchase or death, it will only benefit from any income or **rebates** credited to it before the date of closure.
- 21.4 At the point of closure we will add to the closure proceeds any interest earned on **cash** within your **account/sub account** but not yet applied.
- 21.5 At the point of closure we will deduct from the closure proceeds any fees, charges or interest deductions, which have accrued to the point of closure but not yet been deducted.
- 21.6 Any debit balance described in section 1.2(c) of the **Charges, fees and rebates guide** will also be deducted from the closure proceeds.

For details of the charges please see the **Charges, fees and rebates guide**.

## Instructions

### 22. Sending instructions to us

- 22.1 All **instructions** in relation to your **account** must be in a format reasonably acceptable to us and be accompanied by any necessary supporting documents and payment if applicable.
- 22.2 **Instructions** must be submitted online using our **online Customer Centre** or **adviser extranet** or, if we require paper **instructions** and/or supporting documents, sent by post to our **head office**.



Your **financial adviser** will be able to give you more information about when an **instruction** must be submitted in writing.

## 23. Accepting your instructions

23.1 We may require you to provide proof of identity and address, or any other information we may reasonably need before we are able to accept your **instruction**. We may require you to provide evidence of the source of the money for any investment.

To ensure that your investment is made in a specific **tax year**, you should send your **instructions** in plenty of time before the end of that **tax year**. Please speak to your **financial adviser** for more information about the deadline for sending **instructions**.

23.2 We will not accept an **instruction** if:

- a) it does not comply with the requirements in the **Account eligibility and requirements guide**
- b) it means we will be in breach of any law or regulatory requirement
- c) it would be reasonable for us to reject it, for example where the **instruction** is illegible or unclear.

## 24. Processing instructions

24.1 If we receive an **instruction** which involves buying and/or selling **units**, we will arrange the transaction for you by sending **instructions** to the **fund manager(s)** or **stockbroker**. We will submit that **instruction** to the **fund managers** or **stockbroker** by the time indicated in the table:

Form of instruction	Time
Adviser Extranet or online Customer Centre	The end of the next <b>working day</b> after it has been acknowledged by our system, or the end of the next <b>working day</b> after we accept the <b>instruction</b> , if later.
Post (other than recorded and special delivery)	The end of the <b>working day</b> after the <b>working day</b> on which it is received at our <b>head office</b> , or the end of the next <b>working day</b> after we accept the <b>instruction</b> , if later.
Other (including courier/hand delivery/recorded and special delivery)	The end of the second <b>working day</b> after the <b>working day</b> on which it is received at our <b>head office</b> , or the end of the next <b>working day</b> after we accept the <b>instruction</b> , if later.

### Instructions for Funds only

- The **fund managers** will typically carry out your **instructions** to buy and sell **units** at the dealing point after the next cut-off time following their receipt of the **instruction**.
- The price for a **unit** in a **fund** may be different on each **dealing day**.
- On some occasions it may take longer to confirm a price for the trade from a **fund manager**, which means that it may take several days to complete a transaction.
- More information is on the **fund** information pages of our website at [platform.quilter.com/funds](https://platform.quilter.com/funds)

24.2 The **unit** prices you receive will be those that apply on the **dealing day** on which the **fund manager** acts on your **instructions**. We aggregate our customers' transactions. As a result of this the **fund manager** may apply a special price on large transactions. This will be reflected in the unit price all parties to the transaction receive.

### Instruction for ETIs only

24.3 We will only accept **instructions** for **ETIs** available on our published ETI List.

24.4 We may sell any **ETIs** held within your **account** inadvertently, for example as a result of a corporate action, which is not on our published **ETI** List. Where we do this the proceeds will be held as **cash** within your **account**. Alternatively, we may allow the **ETI** to remain within your **account** but we will not allow further investment into it.



- 24.5 There may be times where it is not possible to buy or sell an **ETI** in accordance with your instructions. Examples of this may include:
- a) the market being closed
  - b) lack of liquidity
  - c) the size of the buy or sell **instruction**
  - d) unexpected volatility of the **ETI**
  - e) an event covered under term 32 (our liability)
- 24.6 **Instructions** are aggregated with other customers' transactions and facilitated by our **stockbroker** twice daily. Please refer to our published ETI List for further details.
- 24.7 As a result of aggregating **instructions**, the market price received may be affected. This will be reflected in the **unit** price all parties to the transaction receive. Depending on the size of the aggregated transaction, a **PTM levy** may apply.

For details of the charges please see the **Charges, fees and rebates guide**.

- 24.8 Where excess **units** remain following the aggregation and disaggregation process, they will be allocated to customers based on the value of their transaction. You may therefore receive a maximum of one additional **unit**. The additional **units** are allocated to customers with the highest value transactions until all excess **units** have been allocated. Where the additional **unit** is allocated to you, you will be charged for this additional **unit** based on the price for the aggregated transaction.
- 24.9 We will distribute to customers investing in **ETIs** any cash arising due to the aggregation and disaggregation of trades in those **ETIs** or in the event of a corporate action affecting them. Where a discrepancy arises and the remaining cash cannot be shared between customers, sometimes referred to as 'penny roundings', we will keep any residual cash.

### General conditions applicable to both fund and ETI transactions

- 24.10 Where you ask us to carry out a number of transactions in one **instruction** or where you send us a number of **instructions** at the same time, we cannot guarantee the order in which we carry out those transactions and it may not be possible to process them all on the same **working day**. In some circumstances, it may take a number of **working days** to complete all transactions.
- 24.11 We can only carry out one transaction involving buying or selling **units** at a time, even if the **funds** or **ETIs** in the first and subsequent transactions are different. This means that where we are carrying out a number of transactions involving buying or selling **units**, whether or not **instructed** by you, your **financial adviser** or **DIM**, it may take a number of **working days** to complete the first transaction and start the second.
- 24.12 In exceptional circumstances outside of our control, we may delay starting to carry out your **instructions** until the earliest **working day** that is appropriate and reasonable. This could happen if, for example, no accurate **unit** price is available from the **fund manager** or there has been a significant change to the **fund** or the exchange or the **ETI** is unavailable to trade.
- 24.13 Where we think it is reasonable and practical to do so, we will let you know if there has been a delay in processing your **instructions**.
- 24.14 We will not carry out **instructions** if before we start to do so:
- a) we are notified of your death
  - b) your **account** is closed.
- 24.15 If you **instruct** us to invest into more than one **fund** or **ETI** (including **model portfolios** or **Managed Portfolios**), the percentage you want to invest in each must be given up to a maximum of two decimal places. If the percentage amount for any **fund** or **ETI** (including **model portfolios** or **Managed Portfolios**) is shown to more than two decimal places, we will round the percentage of each such **fund** to the nearest two decimal places. If the total then does not equal 100%, we will increase or decrease the percentage amount invested in one of the **funds** or **ETIs** (including **model portfolios** or **Managed Portfolios**) shown in your **instruction** so that the total equals 100%.
- 24.16 It is the responsibility of you and your **financial adviser**:
- a) to check that we have correctly interpreted and carried out any **instructions** given for your **account**, and
  - b) to notify us of any discrepancies within 30 days of your receipt of confirmation of the change.

## General

### 25. Changes to funds or ETIs and related trading restrictions

25.1 **Fund managers** may decide to replace or merge **funds**. If this happens:

- a) unless you **instruct** us otherwise, if the continuing **fund** is on our Funds List, **units** in the original **fund** will be **switched** and any future regular investments into the original **fund** will be **redirected** to the continuing **fund**. Where your **account** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**
- b) unless you **instruct** us otherwise, if the continuing **fund** is not on our Funds List, then **units** in the original **fund** will be **switched** and any future regular investment into the original **fund** will be **redirected to cash**. Where your **account** is invested in **model portfolios** or **Managed Portfolios**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**
- c) any remaining income from the original **fund** will be held as **cash** in your **account**. Where your **account** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.

25.2 We or **fund managers** may decide to suspend a **fund** or where you hold **ETIs** in your **account** our **stockbroker** may be unable to process a transaction to buy or sell. This may be because the main stock exchange or markets are closed or because dealings are restricted or suspended in your chosen **ETI(s)**. If this happens:

- a) your **account** will remain invested in the **fund** or **ETI** but you will not be able to buy or sell **units** in the **fund** or **ETI** while it is suspended
- b) unless you **instruct** us otherwise, any future regular investment into that **fund** or **ETI** will be invested proportionally across the active **funds** and **ETIs** contained within your **instruction**. If there are no active **funds** and **ETIs** within the **instruction**, the investment will go to **cash**. Where your **account** is invested in **model portfolios** or **Managed Portfolios**, your **financial adviser** or **discretionary investment manager** can provide us with an alternative **instruction**
- c) if you are receiving regular **income withdrawals** where payments are met by selling **units** proportionally from all of your **funds** and **ETIs** we will raise the payment required by selling **cash** and **units** in the active **funds** and **ETIs** only (including **model portfolios** and **Managed Portfolios**)
- d) if you are receiving regular withdrawal payments under the **tax-efficient regular income** options where payments are met by selling one or more specified **funds** and **ETIs** and one or more are suspended, we will raise the payment from **cash** held in the relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling proportionally from all of your **funds** (including **model portfolios** and **Managed Portfolios**) based on the value of your **sub account** at the time of the sale. If we are unable to raise the payment for a one-off or regular withdrawals of capped or flexi-access drawdown, no payment will be made and the regular payment of **income withdrawals** will be cancelled.
- e) if your **instruction** includes a **fund** which is suspended but we are aware the suspension is to be removed in the near future (within five **working days**) we may defer carrying out your **instruction** until the suspension is lifted
- f) **phased investment** instalments into the suspended **fund** will be invested proportionally across the active **funds** contained within your **phasing instruction**. If there are no active **funds** within the **phasing instruction**, the instalment(s) will remain in **cash**.
- g) we will use the last known price to value your investment in a suspended **fund** or **ETI** against which any charges will be calculated.

25.3 **Fund managers** may decide to close a **fund** or we may decide to remove a **fund** or **ETI** from our Funds List or ETI List (for example due to the small **fund** size or for operational reasons). If this happens:

- a) unless you give an alternative **switch instruction**, any **units** in the **fund** or **ETI** will be **switched to cash** within your **account**
- b) unless you give an alternative **redirection instruction**, any existing regular investment into that **fund** or **ETI** will be **redirected to cash**. Where your account is invested in **model portfolios** or **Managed Portfolios**, your **financial adviser** or **discretionary investment manager** can provide us with an alternative **instruction**
- c) any remaining distributions from the **fund** will be held as **cash** within your **account**.
- d) and the **fund** is removed and we have the same **fund** with a different share class available on our Funds List, **units** in the original **fund** may be **switched** into the **fund** with a different share class. Any future regular investments into the original **fund** will be **redirected** to the **fund** with a different share class on our Funds List.



- 25.4 We or **fund managers** may decide to close a **fund** to new business only. If this happens:
- unless you **instruct** us otherwise, you will remain invested in the **fund**, and **units** in the **fund** can be sold
  - unless you **instruct** us otherwise, any regular investment into that **fund** will continue to be paid into it but you will not be able to increase the amount of the regular investment that is invested into the **fund**
  - you cannot make a top-up lump-sum investment into that **fund**
  - any future distributions from the **fund** will continue to be **reinvested** in the **fund**.
- 25.5 We or **fund managers** may decide to close a **fund** to all purchases. If this happens:
- unless you **instruct** us otherwise, you will remain invested in the **fund**, and **units** in the **fund** can be sold
  - unless you give an alternative **redirection instruction**, any existing regular investment into that **fund** will be **redirected** to **cash**. Where your account is invested in **model portfolios** or **Managed Portfolios**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**
  - any future distributions from the **fund** will be held as **cash** within your **account**.
- 25.6 If there are any other changes to a **fund** or **ETI** which affect the **units** you hold and any purchases or sales in the **fund** or **ETI**, we will advise you of any impacts to your **account** when we notify you of the change.
- 25.7 We will advise you of any additional effect on **phased investments** at the time we notify you of the **fund** changes. Where possible, we will notify you of the changes prior to them happening however, there might be occasions where we cannot, for example where we are not given notice of the change.
- 25.8 Where the affected **fund** is part of a **DIM model portfolio** we will notify the **DIM** of the changes rather than you.

## Changes to pathway investments

- 25.9 The **Pathway Investment** option may change in the future following a review by us. Any change to the **Pathway Investment** option will apply to existing and new investments in the option.
- 25.10 If following a review we change the **Pathway Investment** option we will give you at least 30 days' notice of the changes and how they impact your **account**.

## 26. Changes to this agreement

- 26.1 We can change these terms and conditions at any time if the changes are to:
- help us administer your **account** more effectively
  - take into account changes to our operating costs
  - withdraw or vary any facility or option under your **account**
  - introduce new facilities or options to your **account**
  - vary the minimum investment, minimum **account** value and minimum withdrawal amounts
  - make changes to the **funds** on the Funds List, the **ETIs** on our ETI List or make new types of investments available
  - vary the charges that apply to your **account**
  - correct any errors or make the terms easier to understand
  - take into account any change in law or the practice of any regulatory authorities that affects your **account**.
- 26.2 If any change operates to your disadvantage, we will give you at least 30 days' notice of that change, unless the change is as a result of something outside our control and it is not possible to do so. If we are not able to give you 30 days' notice, we will give you as much notice as possible.
- 26.3 We will only notify you of significant changes to **funds** or **ETIs** in which you hold **units** and which could operate to your disadvantage.
- 26.4 If we make any change to your **account**, you may **instruct** us to **transfer** it to another pension scheme within 30 days of our notifying you of the change at no additional cost to you (although we will deduct all outstanding charges).

## 27. Statements

- 27.1 We will provide you with a quarterly **statement** showing the position of your **account** at the end of each quarter. The quarterly dates are based on your **account charge date**. For example if your **account charge date** is 5 January, **statements** will be issued shortly after 5 January, 5 April, 5 July and 5 October each year.



27.2 You can also access your **account** value more often online. For more details, see term 29 **online Customer Centre**.

## 28. Valuing your account, your funds and ETIs

28.1 When we value your **account** or any **funds** and **ETIs** we will use the latest available **bid value** of the **units**.

28.2 The value of your **account** at any date does not include **rebates** or income earned but not yet credited to your **account**.

## 29. Online customer centre

29.1 If you would like to manage your **account** online using our **online Customer Centre**, you must agree to our **online Customer Centre terms and conditions** which you can find on our website.

29.2 Some **instructions** cannot be submitted using our **online Customer Centre** and must be sent to us either by your **financial adviser** or you in writing.

29.3 Where **instructions** are sent using our **online Customer Centre**, they will be treated as acknowledged by us if you receive confirmation of the transaction from our system before the published cut-off time(s).

29.4 If we are notified by you or your **financial adviser** of your intention to register for our **online Customer Centre** as described above, we will stop sending you paper correspondence except where we are obliged to by regulation. Correspondence will be stored online in your document library, which you can access by logging in to the **online Customer Centre**. Each time we issue new correspondence, you will be notified using the email address provided to us.

29.5 If, after 60 days of our being notified of your intention to register for our **online Customer Centre**, there is no active **online Customer Centre** account we will revert to corresponding with you via paper. Any correspondence within the 60 days will not be re-issued via paper, but will continue to be stored online in your document library should you require copies.

## 30. Your financial adviser

30.1 If a **financial adviser** has applied for the **account** on your behalf, we will treat that **financial adviser** as your agent with the authority to act on your behalf in relation to your **account** and this **agreement** unless you notify us in writing that the authority has ended.

30.2 If we agree to accept **instructions** from your **financial adviser** acting as your agent, we will treat the **instructions** as if they are direct from you.

30.3 You agree that your **financial adviser** may send us proof of identity and other information about you that we may reasonably require to complete our checks.

30.4 We will not be liable for any losses or costs incurred by you because of anything your **financial adviser** does or does not do on your behalf in relation to this **agreement**. The **financial adviser** has been appointed by you to deal with your affairs and interests according to whatever terms you have agreed with them.

30.5 The **financial adviser** is not acting on our behalf and does not represent us in any way, and we have no knowledge of what basis your **financial adviser** acts on your behalf.

30.6 We are not responsible for any failure or breach in the relationship between you and your **financial adviser**.

30.7 If you change your **financial adviser**, you must notify us in writing.

30.8 If you change your **financial adviser** and you are invested in a **model portfolio** your **account** will no longer be invested in the **model portfolio** but will remain invested in the underlying assets which formed the **model portfolio** until we receive alternative **instructions**.

## 31. Your discretionary investment manager (DIM)

This term shall apply to any **DIM** who you notify us has authority to manage your funds and **ETIs** on your behalf.

31.1 Provided you have a **financial adviser** appointed in respect of your account, you can choose via your **financial adviser** to appoint a **DIM** to provide a discretionary fund management service for your **account**.

31.2 Your **financial adviser** can request the appointment of one or more **DIMs** on your account. Terms of business will need to be agreed between you, your **financial adviser** and/or the **DIM**. We are not responsible for the acts or omissions of the **DIM**.

31.3 We may require the **DIM** to confirm they are regulated by any appropriate regulatory authority and have any qualifications required by law or regulation for the activity to be carried out. If we require such confirmation, it is to enable us to comply with our regulatory duties. It is not and should not be construed as any endorsement of a **DIM** by us, and we do not warrant your DIM's suitability or regulatory credentials.



- 31.4** We will act on the **instructions** of the **DIM** once appointed. We will cease to act on instructions from the **DIM** and we will stop any **discretionary management portfolio fees** we are making to the **DIM** on your behalf in the following circumstances:
- a) Your **account** is switched out of the **model portfolio**
  - b) We receive **instructions** from you or your **financial adviser** that you, or your **financial adviser** has ended the terms of business in place between you and/or your financial adviser and the **DIM**
  - c) You notify us that you have changed your **financial adviser** firm or removed them from your **account**
  - d) We terminate our terms of business with your **financial adviser** firm
  - e) You close your **account**
  - f) On the death of all **account holders**
  - g) We terminate our terms of business with the **DIM** or otherwise cease to act on their **instructions**. This could be because we become aware that a **DIM**:
    - i) has been refused membership by, or has been expelled from, a professional organisation; or
    - ii) is under investigation by, or has been the subject of disciplinary action by, a regulatory authority; or
    - iii) has carried out or is carrying out activities in a manner which could prejudice or be harmful to our reputation; or
    - iv) ceases to hold the necessary regulatory authorisation to perform their role

These examples are illustrative and not exhaustive. This will not affect any transactions already carried out or for which binding **instructions** have been given directly or indirectly.

Your **account** will no longer be invested in the **model portfolio** but will remain invested within the underlying **assets** which formed the **model portfolio** until we receive alternative **instructions**.

When the appointment of the **DIM** ends, we will make a final proportional **discretionary management portfolio fee** payment to the **DIM** on the next payment date. This will cover the period from the last payment date up to the date the **model portfolio** is removed from your **account**.

## **32. Our liability**

- 32.1** We will exercise due care and diligence in the management of your **account**. However, unless they arise as a result of our negligence, wilful default, fraud, or breach of this **agreement** or **FCA** rules, we will not be liable to you for:

- a) any costs, claims, demands, losses or expenses arising from any fall in the value of your **account**
- b) our acts or omissions or those of any third party outside the Quilter plc group of companies (for example, a **fund manager**).

- 32.2** This limitation of liability does not apply to the extent that it conflicts with **FCA** rules.

- 32.3** We will not be liable or have any responsibility for any loss or damage, fall in investment value or loss of investment opportunity you incur or suffer because of an event that we could not reasonably predict or if predicted its consequences can't be planned for within these terms. Examples of such events are:

- a) any act (or credible threat) of terrorism,
- b) acts of government, local authority or regulatory body,
- c) explosion or fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe, any nuclear, chemical or biological contamination or any strikes, lockouts or other industrial disputes (other than to the extent involving our workforce or other personnel)
- d) riot, civil unrest, commotion or rebellion, war or civil war (whether or not declared) or armed conflict, invasion and acts of foreign enemies, blockades, embargoes
- e) an unavoidable accident
- f) the loss of supply of essential services including but not limited to electrical power, telecommunications, air conditioning and essential third party services
- g) any 'denial of service' or other targeted network attack
- h) any epidemic or pandemic and
- i) any other cause beyond our reasonable control as a consequence of which we can no longer administer your **account** for a given period

This term only applies if we have complied with the relevant **FCA** rules which require us to have systems and controls in place to guard against such breakdowns in our service.

### 33. Amounts you owe us

- 33.1 We can deduct from the value of any other account or bond (other than any **registered pension scheme**) held in your name with us or any other Quilter plc company, any amount you owe us under this **agreement**. We will write to notify you before we do this.

### 34. Notices

- 34.1 You must provide us with information we reasonably require to carry out our obligations under this **agreement**. This includes telling us if you change your name, home address or residency status for tax purposes including whether you cease to be a relevant **UK** individual.

Please refer to the **Account eligibility and requirements guide** for more information on who is a relevant **UK** individual.

- 34.2 If under this **agreement** we have to send you a notice by post, we will meet this requirement if we send it to the address that you last notified to us. We can assume that you received a notice sent by us by post when it would normally be expected to have been received in the ordinary course of post.

### 35. Miscellaneous

- 35.1 Nothing in this **agreement** will oblige us to do anything if, in our reasonable opinion, it would be unlawful or may constitute market timing or market abuse. We may pass on any charge or penalty imposed on us as a result of any such activity.

Market timing is a form of speculative investment that usually involves a high volume of **fund** transactions and short holding periods. This can force **fund managers** to carry out transactions that do not reflect the normal investment strategy of the **fund**. It can also penalise other investors, due to the extra dealing costs incurred or a decline in long-term performance. Any charge we impose will normally be equivalent to the charge imposed on us by a **fund manager**.

- 35.2 If we are required under the **regulations** to impose any tax charge or other charge or penalty, we will deduct the charge or penalty from your **account**.
- 35.3 We do not give any advice regarding **funds** and **ETIs**, your **account** or any **instruction**. The availability of a particular **fund** or **ETI** does not imply that it is suitable for you.
- 35.4 The services we provide do not include a review of your **funds** and **ETIs**.
- 35.5 For regulatory purposes, we will treat you as a retail client. Retail clients receive the greatest level of regulatory protection.
- 35.6 It may be necessary to suspend dealing in **funds** and **ETIs** within your **account** in the event of exceptional circumstances that are outside our control.
- 35.7 In making decisions and exercising any discretion given to us under this **agreement**, we will act reasonably and with proper regard to the need to treat you and our other customers fairly.
- 35.8 References in this **agreement** to tax reflect our understanding of the law at the date of this **agreement**. However, tax rules will depend on your personal circumstances and may change in the future. You should speak to your **financial adviser** for advice on tax.
- 35.9 You will not earn interest on any uninvested amounts held in our bank accounts where the amount has not been accepted into the **account**.
- 35.10 This **agreement** is between you and us. No other person shall have any rights to enforce any of its terms.
- 35.11 We may delegate any of our functions or responsibilities to a third party. If we do, we will satisfy ourselves that the third party is competent to carry out those functions and responsibilities. We will remain responsible for the acts and omissions of that third party as if they were our own acts or omissions.
- 35.12 This **agreement** is subject to and is to be interpreted in accordance with the laws of England and Wales. You and we submit to the jurisdiction of the courts of England and Wales.
- 35.13 This **agreement** and any subsequent communications will be in English.
- 35.14 We may occasionally receive or pay sums, or make available non-financial benefits, to other regulated firms (either directly or indirectly). Such payments and benefits will be intended to improve the quality of service provided to customers and will be no more than a reasonable de minimis value or limited to the reimbursement of costs and market rate as appropriate. Due regard will be given to ensure that they do not conflict with any duty the recipients have to act in the best interests of clients. For example a reasonable per head / per event value for business meals is generally no greater than a benefit of £50 and subject to approval controls. Further information is available upon request.





## 36. Complaints

**36.1** If you have a complaint about any aspect of your **account**, we have a complaints procedure, which is available on request. Making a complaint will not prejudice your right to take legal proceedings.

**36.2** You can make a complaint by contacting us at our **head office** or by telephoning 0808 171 2626.

**36.3** If you are not satisfied with our response, you may refer your complaint free of charge to the Pensions Ombudsman, if it concerns the administration of your pension.

The Pensions Ombudsman can be contacted as follows:

The Pensions Ombudsman  
10 South Colonnade  
Canary Wharf  
E14 4PU  
[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)  
Telephone: 0800 9174487

Free help is also available from The Pensions Advisory Service (TPAS) which can advise you on how to complain and may be able to sort the matter out without the need for the Ombudsman to get involved.

The contact details for TPAS are as follows:

The Pensions Advisory Service  
11 Belgrave Road  
London SW1V 1RB  
[www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)  
Telephone: 0800 0113797

All other complaints may be referred free of charge to:

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)  
Telephone: 0800 0234567

## 37. The pensions regulator (TPR)

**37.1** The Pensions Regulator (TPR) can intervene in the running of personal pension schemes where employers or professional advisers have failed in their duties. TPR can be contacted at:

The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton  
East Sussex  
BN1 4DW  
Telephone: 0345 600 0707

## 38. Compensation

**38.1** If we cannot meet our liabilities, the Financial Services Compensation Scheme (FSCS) may arrange to **transfer** your **account** to another insurer, provide a new **account** or, if these actions are not possible, provide compensation. The FSCS covers payment to 100% of the value of your **account**, as calculated in accordance with FSCS rules. Any **cash** held in your **account** will share proportionally in any shortfall in the **pooled bank account**, but in the event of the failure of the **pooled bank account** for any reason, the **trustee** will make a claim to the FSCS for compensation for up to £85,000 per member. The risk for money held in **cash** is transferred to you and although the **trustee** will make a claim it is not guaranteed to be successful.

**38.2** If our chosen **stockbroker**, a fund group or **ETI** manager you are invested in goes into liquidation we are unable to claim compensation on your behalf as you are not the owner of the **assets**.

**38.3** We or your **financial adviser** can provide further information about compensation arrangements on request. You can also find out more from:

Financial Services Compensation Scheme  
10th Floor, Beaufort House  
15 St Botolph Street  
London EC3A 7QU  
Telephone: 0800 678 1100 or 020 7741 4100  
Website: [www.fscs.org.uk](http://www.fscs.org.uk)



## 39. Appointment and Terms and Conditions of our managed portfolio service

- 39.1 Provided you have a **financial adviser** appointed in respect of your **account**, you can choose to appoint us to provide a discretionary fund management service for your **account** using **Managed Portfolios**. This is referred to as the **managed portfolio service**. Your **financial adviser** needs to assess which **Managed Portfolio** is suitable for you based on **FCA** rules, as described in term 39.3, so that we can then manage the selected **Managed Portfolio**.
- 39.2 Each **Managed Portfolio** represents a specific attitude to risk score and volatility range. Specific asset allocation for **Managed Portfolios** will then be determined by us, as portfolio manager, in order to implement the agreed strategy. Full details are provided in the **Managed Portfolio** factsheets.
- 39.3 Your **financial adviser**, on your behalf, must tell us which **Managed Portfolio** is suitable for you having regard to your personal requirements including your risk profile. Your **financial adviser** will carry out a suitability assessment of your needs, including your capacity for loss and attitude to risk, in accordance with the **FCA** rules to determine the appropriate **Managed Portfolio** for you. We will rely on your **financial adviser** having completed this assessment when they select the **Managed Portfolio** to be applied to your **account**.
- 39.4 We are not responsible for obtaining information about you as described in term 39.3. We will rely on the suitability assessment performed by your **financial adviser**. Your **financial adviser** will review this suitability assessment for you on an ongoing basis in accordance with their duties under the **FCA** rules. This will also meet our regulatory requirement, as portfolio manager, to assess suitability of the **managed portfolio service** for you.
- 39.5 If you choose to use the **managed portfolio service**, your **financial adviser** will request investment into the **managed portfolio service** for your **account** on your behalf, and they will confirm to us the **Managed Portfolio** which meets your needs. As a result, we will invest in the **funds** applying to the **Managed Portfolio** selected.
- 39.6 We will assume that by requesting this **managed portfolio service**, your **financial adviser** has explained the risks involved in transactions undertaken for, and the management of, the **account** according to the relevant **Managed Portfolio** and you understand those risks. We do not provide any express or implied warranty as to the performance or profitability of any **Managed Portfolios**, or any **funds** comprised in them from time to time. Details about the investment risks of using the **managed portfolio service** or of investing in the **Managed Portfolios** and investing in **funds** generally are as set out in the **Managed Portfolio** factsheets.
- 39.7 Once your **account** is invested in the **managed portfolio service**, we, as portfolio manager, will then manage the **funds** contained in the selected **Managed Portfolio** (including circumstances covered in term 25) on your behalf based on the investment mandate for the selected **Managed Portfolio** described in the relevant **Managed Portfolio** factsheet.
- 39.8 Subject to the **Managed Portfolio** investment mandate, we, as the portfolio manager, will have complete discretion over the **funds** to invest in (without prior reference to you) to buy, sell, retain, exchange or otherwise deal in **funds**, take all routine and day-to-day decisions about the asset allocation of the **Managed Portfolios** and otherwise act appropriately in relation to the management of the **funds** for your **account**.
- 39.9 In making decisions and exercising any discretion given to us under these **managed portfolio service** terms (terms 39 and 40), we will act properly and with due regard to the need to treat you and our other **account holders** fairly.
- 39.10 We will not breach and have not breached the investment objectives and restrictions for the **Managed Portfolio** chosen by you as a result of any events or circumstances outside our reasonable control including, but not limited to, changes to the price or value of **funds** in a **Managed Portfolio** which arise solely from market movements.
- 39.11 We will review the **Managed Portfolios** on a continual basis to ensure that they continue to be suitable for the relevant risk target/profile. Where required, we will review the **Managed Portfolios** at least quarterly against the relevant investment objectives and other performance criteria as published from time to time for each **Managed Portfolio**. We will also review the **Managed Portfolios** at other times when we, as portfolio manager, consider it appropriate. Where reviewing the **Managed Portfolios** results in changes to the asset allocation, we will implement the necessary **fund switch instructions** on the **Managed Portfolios**.
- 39.12 We will be responsible for preparing, reviewing and making available to you the **Managed Portfolio** factsheets and any other appropriate information about the **Managed Portfolios**. We will make any changes that are required to the **Managed Portfolio** factsheets as a result of periodic reviews.
- 39.13 In implementing decisions made on a discretionary basis for your **account** we will act in your best interests and in particular will be subject to the duty of best execution and other duties under the **FCA** rules in relation to the way in which **instructions** for your **account** are carried out, as detailed in term 41.



- 39.14** Performance reports will be provided to you quarterly through the **online Customer Centre**, where you have chosen to receive documents electronically, and to your **financial adviser** through the online services. Performance reports will detail the value of the **Managed Portfolio** selected for your **account**.
- 39.15** We will not be required to provide confirmations for the execution of individual **fund switches** carried out in relation to your **account** as part of the **managed portfolio service**.

### Conflicts of interest

- 39.16** We will provide the **managed portfolio service** in such a way as to manage conflicts of interest in accordance with our Conflicts Of Interest Statement of Practice, from time to time, which sets out the types of actual or potential conflicts of interest which affect our business, and provides details of how these are managed.
- 39.17** In accordance with our Conflicts of Interest Statement of Practice we may effect transactions in which we have, directly or indirectly, a material interest or a relationship with another party which involves or may involve a potential conflict with our duty to you. By way of example, the asset allocation for the **Managed Portfolios** may contain **units in in-house funds** in which we are interested as a result of being the operator or otherwise. In order to manage the potential conflict in such cases, we do not exercise our voting rights on **in-house funds**.  
If you would like a copy of the Conflicts of Interest Statement of Practice, please contact us in writing, by telephone or email. Contact details are on page 4 of these terms.

### Outsourcing

- 39.18** We may delegate our services under this term to Quilter Investors Limited or other third parties (including other companies in our group of companies) and may provide information about you and your **account** in relation to the **managed portfolio service** to any person to whom such activities have been outsourced, but our liability to you for all matters so delegated will remain with us.

### 40. Conditions and restrictions to your agreement if you use the managed portfolio service

- 40.1** Any **instruction** to invest in your **account** by making a lump-sum investment, including a **transfer** or increasing your regular investments in accordance with term 10, will be invested into the **funds** in the **Managed Portfolio** for your **account** in the latest published asset allocation for the **Managed Portfolio** selected for your **account** at the time we process your **instruction**.
- 40.2** While the **managed portfolio service** applies to your **account** payment of withdrawals and deductions for the Product Charge and/or **adviser fees** met by selling **units** in a **Managed Portfolio** will be deducted proportionally from all **funds** within the **Managed Portfolio**, not from specific **funds**.
- 40.3** If any of the following events occur, the **managed portfolio service** will be terminated and the restrictions and conditions detailed in these **Managed Portfolio** terms (terms 39 and 40) will no longer apply:
- a) If you no longer have an appointed **financial adviser** whom you use to advise on your **account**
  - b) If you (or your **financial adviser** on your behalf) **instruct** us to terminate the **managed portfolio service** for your **account**.
  - c) If we decide we can no longer offer the **managed portfolio service** and provide you with 30 days' notice of our intention. This may be where it becomes impossible or impractical in our reasonable opinion to carry out the service, as a result of change in the law or regulation, or it is no longer economically viable to provide this service, or other circumstances that are beyond our control. We will communicate the withdrawal of the **managed portfolio service** to **Managed Portfolio account holders** as we consider most appropriate having regard to the **FCA** rules and the duty to treat customers fairly.  
  
If we decide to remove the **managed portfolio service** for reasons that are outside our control then the removal will take effect immediately. We will notify you of such removal stating the reason for the removal and the date it is effective.
  - d) if you or your **financial adviser** submit a **fund switch instruction** for any or all the **funds** currently in the **Managed Portfolio** for your **account**.
  - e) If we receive notification of your death.
  - f) If your **account** closes.

### 41. Order Execution Policy

- 41.1** Under the **FCA** rules, we have an obligation to take all reasonable steps, when processing **instructions**, to obtain the best possible result for our **account holders** taking into account all relevant considerations, the **FCA** call these the execution factors. We must have an 'Order Execution Policy' in place to meet this regulatory obligation. This term 41 satisfies that requirement.



#### 41.2 Execution Venue

- a) We will execute **instructions** by sending dealing **instructions** to the operator of each relevant **fund**, or its agent.
- b) We place orders to buy and sell **ETIs** with a third party for execution. This third party, our **stockbroker**, has its own order execution policy. We expect our **stockbroker** to obtain execution results that are at least as good as those that could be obtained through an alternative **stockbroker**.
- c) We only execute **instructions** for **funds** which are priced no more frequently than once each **working day**. In our sector of the regulated financial services industry, the **funds** that we trade in are not quoted on any investment exchanges.
- d) We only execute **instructions** for **ETIs** which we have made available to you and are included within our published ETI List.
- e) We do not believe there is any alternative venue available that is likely to provide a better outcome for you in terms of price, cost or any other relevant matters. However, if a cost-effective alternative to dealing with the operator of a **fund** or our **stockbroker** were to arise, we reserve the right to consider using that alternative execution venue if it would result in a better outcome for you.

**41.3** We only trade once each **working day** in **funds** that price once each **working day**. The timescales for processing **instructions** are specified in term 24.

**41.4** We have two cut-off points during each **working day** for trading in **ETIs**. After each cut-off we aggregate the dealing **instructions** we have received and **instruct** our **stockbroker** to place the deals. The timescales for processing **instructions** are specified in term 24.

When providing the **managed portfolio service** we will comply with the obligation to act in accordance with your best interests. This will apply when sending dealing **instructions** to **fund** operators for execution that result from decisions by us to deal in financial instruments on your behalf.

## Glossary

**Account** – The Collective Retirement Account.

**Account charge date** – The **working day** on which we deduct the Product Charge and any servicing fee from your **account**. The **account charge date** is based on the date that the first product was opened with Quilter Investment Platform Limited or Quilter Life & Pensions Limited. If the **account charge date** is not a **working day**, any sale of **funds** or **ETIs** relating to the charge or fee will be placed on the next **working day**.

**Account eligibility and requirements guide** – The document setting out the eligibility and other requirements for the **account**.

**Account holder** – You, the legal owner of the **account**.

**Accumulation unit** – A **unit** in a **fund** which accumulates income earned back into the **fund** increasing the value of the **units**.

**Acknowledgement** – Written confirmation from us of your **account** start date, your investment details and your cancellation rights.

**Adviser Charging** – The service we provide for **adviser fees** to be paid from your investment to your **financial adviser**, as authorised by you.

**Adviser extranet** – A secure internet site on which your **financial adviser** can manage your **account**.

**Adviser fee** – An adviser initial fee, adviser initial regular fee, adviser ongoing servicing fee or adviser ad hoc fee payable to your **financial adviser**, as described in the **Charges, fees and rebates guide**.

**Agreement** – The terms contained in this document together with the **online Customer Centre terms and conditions** (where you have agreed to those terms).

**Annuity** – A contract that you buy from an **annuity** provider using a lump sum of money (eg the proceeds of your pension fund) to guarantee you an annual income.

**Asset** – A generic term we may use for **funds, cash** and **ETIs** held within your **account** including those held within a **model portfolio** or **Managed Portfolio**.

**Average Weekly Earnings (AWE)** – The table of non-seasonally adjusted average weekly earnings (AWE5) as published by the Office for National Statistics (series code KA58), or any similar measure that we may select.

**BACS** – Bankers' Automated Clearing System. This is the method we ordinarily use to make direct, electronic payments to banks. It usually takes three to five **working days** for a payment to get to a bank account from when it leaves us.

**Bid price** – The selling price of **units** in **funds** or shares in **ETIs**.

**Bid value** – The value of the **units** in a **fund** or shares in an **ETI** based on their **bid price**.

**Cash** – **Cash** held in a **pooled bank account** that is held in a separate account within Quilter's Long Term Business Fund.

**Cash transfer** – **Transferring** the value of another pension scheme by moving cash held from one scheme to another or moving **funds** from one provider to another by selling them and **transferring** the proceeds as cash.

**CHAPS** – Clearing House Automated Payment System. This is an alternative method for making electronic one-off payments to banks, whereby the money reaches the bank account on the same day that it leaves us. There is a charge for this service of £23 which we will deduct from your **account** in line with your withdrawal **instruction** before we make payment to you. (This method is not available for regular **income withdrawal** payments.)

**Charges, fees and rebates guide** – The document setting out the charges, fees and **rebates** which apply to your **account**.

**Cleared cash** – **Cash** balances held within your **account** on which we will calculate interest. For cheque payments we will consider these as cleared on the third **working day** after we have banked them.

**Crystallise, Crystallised, crystallised funds, crystallised assets** – **Assets** that have been tested against the **lifetime allowance** and designated to provide for **income withdrawal**.

**Dealing day** – Any **working day** on which the relevant **fund manager** or our **stockbroker** accepts trades to buy and sell **units**.

**Defined Benefits** – Pension benefits which include some form of guarantee or promise of the pension you will receive in retirement.

**Dependant** – As defined in the **regulations**, but in summary, your **dependants** would be:

- your husband, wife or civil partner at the date of your death
- any of your children (including adopted children) under the age of 23
- any of your children (including adopted children) over the age of 23 who are dependent on you because of physical or mental impairment
- anyone else who, at the date of your death, was financially dependent on you, or dependent on you because of physical or mental impairment.



**Discretionary investment manager (DIM)** – A person or firm that acts on your behalf following your request to use their service in respect of your **account**. The **discretionary investment manager** will act on a discretionary basis using a discretionary mandate prescribed by you and investment objectives and risk profile you have stated in respect of your **account**. They must be appropriately qualified, authorised and regulated to offer discretionary fund management services. Your **financial adviser** may also be your **discretionary investment manager** where they hold suitable permissions.

**Discretionary Management Portfolio Fee (DIM Fee)** – A fee expressed as a percentage which is charged by the **discretionary investment manager** providing investment decisions on your **account**.

**Disqualifying Pension Credit** – Following divorce proceedings the court can award the ex-spouse all or part of the other party's pension rights (known as a pension credit). Where the pension credit transfer is paid from previously crystallised funds, no tax-free lump sum is available.

**Exchange Traded Instrument (ETI)** – Any **asset** that you may invest in as part of your **account** which is bought and sold using our **stockbroker** including but not limited to stocks and shares, exchange traded funds, exchange traded commodities and investment trusts listed on a recognised stock exchange and on our ETI List.

**FCA** – The UK Financial Conduct Authority (which includes any successor regulatory authority).

**Financial adviser** – A firm or individual authorised to provide advice and arrange or carry out investment transactions on behalf of customers and who has agreed to our terms of business. These terms and conditions assume that you invest using the services of a **financial adviser** and they have been written accordingly.

**Financial Institution** – A bank, building society or other UK authorised institution which can legally hold deposits.

**Fund** – Any **fund** that you may invest in as part of your **account** and that is listed on our Funds List including those within a **model portfolio** or **managed portfolio**.

**Fund manager** – The investment company responsible for the management of a **fund**.

**Head office** – Quilter House, Portland Terrace, Southampton, SO14 7AY.

**HMRC** – Her Majesty's Revenue & Customs.

**Immediate maximum tax-free lump sum** – The selection of the maximum tax-free lump sum allowable to you under the **regulations** after paying in a lump-sum or **transfer** investment.

**Income unit** – A **unit** in a **fund** which pays any income earned to its investors.

**Income withdrawal** – Taking income direct from your pension fund.

**In-house funds** – **Funds** that we, or other companies within our **Quilter plc group of companies**, manage.

**Instruct, instruction, instructed** – An **instruction** to us in accordance with term 22, to carry out a transaction relating to your **account** including but not limited to: making a lump-sum investment, making a regular investment, **transferring** into or out of your **account**, **phased investment**, **switching**, **redirecting** regular investments, **reinvesting** income, taking a **retirement benefit**.

**Key features document (KFD)** – A document summarising the key features of your **account**.

**Lifetime allowance** – The total amount you are entitled to **crystallise** within all your pensions before you incur a tax charge. Some people may be entitled to a higher or lower **lifetime allowance**.

**Managed Portfolio** – **Funds** which are grouped to reflect a specific attitude to risk, volatility range and other variables as set out in the relevant **Managed Portfolio** factsheet under the **managed portfolio service**.

**Managed portfolio service** – A discretionary fund management service for your **account** using **Managed Portfolios** that is offered to you by Quilter Life & Pensions Limited.

**Model portfolio** – **Funds** which are grouped to reflect a specific attitude to risk, volatility range and other variables as set by your **financial adviser** or **discretionary investment manager**.

**Normal minimum pension age** – The minimum age at which you can take your **retirement benefits** as determined by the **regulations**.

**Online Customer Centre** – A secure internet site on which you can manage elements of your **account**.

**Online Customer Centre Terms and Conditions** – The terms and conditions governing your use of the **online Customer Centre**.

**Pathway Investment** – The **fund** for the investment pathway objective you choose.

**Pension year** – Unless the **regulations** provide otherwise, a 12-month period starting from the date entitlement to **income withdrawal** commences in relation to an **account** and subsequent 12-month periods.

**Phase, phasing, phased investment** – Automatic monthly instalments to **switch** from **cash** into **funds**, **ETIs**, **managed portfolios** and **model portfolios** in your **account**.

**Platform** – Quilter's technology platform, which hosts collective investments, ISAs and JISAs as well as bonds and pension products.



**Pooled bank account** – An account with a **financial institution** opened by the **trustee** that holds monies in respect of your investment and other members of the scheme.

**PTM levy** – The **PTM levy** is a charge imposed on investors when they sell or buy shares with an aggregate value in excess of £10,000. The charge is deducted by our **stockbroker** when processing your **instruction**.

**Quilter plc group of companies** – Quilter plc and all its subsidiary companies from time to time. This includes, for example, Quilter, Quilter Investors, Quilter Financial Planning and Quilter Cheviot.

**Rebate** – **Fund managers** pay us an income, known as a **rebate**, which varies from **fund to fund**, and can change over time. It represents a discount on the usual **fund manager** charges, which we have negotiated with each **fund manager**. **Rebates** are paid out of money that would otherwise be kept by the **fund manager**; they are not paid from your **account**.

**Redirect, redirecting** – Changing the **units** bought with future regular investments.

**Registered pension scheme** – A pension scheme registered by **HMRC**, or under the **regulations** as a result of being an approved pension scheme on 5 April 2006.

**Regulations** – The Finance Act 2004 and regulations made under that Act.

**Reinvest, reinvestment, reinvested** – Using **rebates**, income and tax reclaims from **funds** and **ETIs** in your **account** to buy more **units**.

**Re-register, re-registration, re-registered** – **Transferring funds** or **ETIs** as part of **transferring** from one pension scheme to another, without actually selling them. This process can also be known as an ‘in specie’ **transfer**.

**Retirement benefits** – A tax-free lump sum, **income withdrawal**, **annuity** or any other form of retirement benefit that you can take from your **account** in accordance with the **regulations** and this **agreement**.

**Safeguarded benefits** – Pension benefits which include some form of guarantee or promise of the pension you will receive in retirement.

**Small pension fund lump sum** – Subject to the **regulations**, you can take up to £10,000 from each of three arrangements within your **account**, (a maximum of £30,000 in total) as ‘small pots’ payments. For **uncrystallised accounts**, 25% of each payment will be tax-free. For **crystallised sub accounts**, the payment must extinguish the **sub account**.

**Statement** – A **statement** showing the activity on your **account** including: the price of the **units** held in **funds** and **ETIs** in your **account**, any amount held in **cash**, and any transactions processed in relation to your **account** since the last **statement**. It does not include any measurement of the performance of a **fund** or **ETI** held in your **account**.

**Stockbroker** – The stockbroker(s) chosen by us that holds our assets on our behalf, that you can use to buy and sell **ETIs** we make available for you to invest in as part of your **account**.

**Sub account** – Each **account** is made up of one or more **sub accounts**. An **account** can hold one **uncrystallised sub account** and one or more **crystallised sub accounts**.

**Switch, switched, switching** – Selling from one or more **assets** and using the proceeds to buy one or more other **assets** within your **account**.

**Tax-efficient regular income** – Taking income directly from your **account** by giving us an **instruction** to automatically **crystallise funds**, **ETIs** and **cash** every month to provide regular monthly payments consisting of a tax-free lump sum or a tax-free lump sum and taxable income. The tax treatment and efficiency of these options will depend on the individual circumstances of each customer. Tax rules and their application may change in the future.

**Tax year** – The 12-month period from 6 April to 5 April the following year.

**Transfer, transferred, transferring** – Moving your investment from one pension scheme to another by either **re-registration** or **cash transfer** or both.

**Treasured funds** – **Funds** or **ETIs** which you have chosen to exclude from the sale of **units** to meet charges and fees.

**Trustee** – Quilter Pension Trustees Limited, a company registered in England under company number 11240757, which has been appointed under the trust deed to act as trustee holding the pooled cash account or its successor.

**UK** – The United Kingdom of Great Britain and Northern Ireland, but not including the Channel Islands or the Isle of Man.

**Uncrystallised, uncrystallised funds, uncrystallised assets** – **Assets** in your **account** that have not yet been tested against the **lifetime allowance** and have not been designated to provide **income withdrawal**.

**Units** – The **funds** available for you to invest in are split into **units**. The value of each **unit** and the number of **units** held represent your share of the **fund’s** total value. This definition also includes shares in Open-Ended Investment Companies (OEICs) and **ETIs**.

**Working day** – A day on which we are open for business at our **head office**.



## Charges, fees and rebates guide

### 1. General

#### 1.1 Payment of **financial adviser** fees, **dim** fees and the product charge

- a) If we agree to pay fees to your adviser or a **DIM fee** on your behalf, we will meet these payments by using **cash** held within your **account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** from all of your **funds** (including **model portfolios** and **managed portfolios**) proportionally, based on the value of your **account** at the time of sale.
- b) If a **fund** has been suspended and we have agreed to deduct an **adviser fee** or **DIM fee** from your **account** we will calculate the fee based on the value of all relevant **funds** (including the suspended **fund**, provided the **fund manager** has made an indicative price available), **cash** and **ETIs** in your **account**. However, we will pay the agreed fee from **cash** and by selling **units** (as described in 1.1(a) from the active **funds** only. If the only investment held in your **account** is a **fund** or **ETI** that is suspended we will accrue the fee(s) during the period of the suspension. Once the suspension is removed, any fees accrued will be deducted in line with 1.1 (a). We will also adopt the process described in (a) and (b) above to meet the Product Charge.
- c) If any transactions involving selling **units** in any **funds** are being processed on the **account charge date** (or **account** anniversary for adviser regular initial fee if different), we will not sell **units** to pay the **adviser fee**, **DIM fee** or Product Charge until all earlier transactions have been completed, even if the **funds** in the other transactions are different from those being sold to pay the **adviser fee**, **DIM fee** or Product Charge.
- d) Where we sell **units** to meet fees for your adviser or a **discretionary management portfolio fee** for your **DIM** or our Product Charge, we will sell six times the value of the fees and/or Product Charge subject to a minimum value of £25 and a maximum of 0.75% of the **account** value. We will place the residual amount in **cash**. This provides sufficient **cash** to meet future fees and/or our Product Charge without needing to sell further **units** from your **funds** and **ETIs** on a frequent basis. We do this to allow other transactions to process in a timely manner, for example withdrawals and **switches** which could otherwise be delayed if frequent **fund** sales were still in progress.

#### 1.2 Treasured funds and ETI's

- a) As described in section 1.1, charges and fees will be met using **cash** within your **account**. If there is insufficient **cash** at the time a payment is due, **units** will be sold to meet the shortfall as described throughout this guide. To avoid the charges associated with transacting in **ETIs**, these will not be included in the sale of **units** to meet charges and fees.
- b) In addition to **ETIs** you can choose specific **funds** to be excluded from the sale of **units** to meet charges and fees. We refer to these as '**treasured funds**'. Where you have selected **treasured funds**, the sale will be made from the other **funds** (including **model portfolios** and **managed portfolios**) proportionally, based on their value at the time of sale. If you instruct us to move a **treasured fund** from your **uncrystallised sub account** to your **crystallised sub account** it will lose its treasured status.
- c) Where there is insufficient **cash** at the time a payment is due and you are only invested in **ETIs** or **treasured funds** or your other **assets** which are not treasured are currently suspended, the charge or fee due will be held as a debit value.
  - i) You, your **financial adviser** or the **DIM** have 30 days from the date the charge is due to provide us with new **instructions** in order to clear the debit balance.
  - ii) If any of the debit balance remains outstanding after the 30-day notice period we will sell **units** from all of your **funds** proportionally, based on the value of your **account** at the time of sale.
  - iii) If a debit balance remains outstanding after the sale of **funds**, we will sell the sufficient **units** from your largest **ETI** holding to clear the debit balance remaining. If the largest **ETI** holding is insufficient to clear the debit we will sell the next largest **ETI** and so on until it is cleared.



## 2. Our charges

### 2.1 Product Charge

- a) The Product Charge is an annual charge based on the total value of any investments you have on the **platform**. It will be deducted monthly in arrears from the accounts and bonds that are subject to the Product Charge and, for ISA and CIA, the Service Charge which are all on Charge Basis 3. The Product Charge covers the cost of holding or administering these investments and carrying out your **instructions** by arranging the sale and purchase of **funds**. Arranging the sale and purchase of **ETIs** carries additional costs as described in section 2.4.

Quilter's platform offers an ISA, a junior ISA, a Collective Investment Account, a Collective Retirement Account and a Collective Investment Bond.

- b) We calculate the Product Charge daily and deduct it in monthly instalments on the relevant **account charge date**. Therefore, if the total value of your accounts or bonds changes in future as a result of market movements, withdrawals, or additional investments, the Product Charge will vary accordingly.
- c) The daily charge is calculated as  $1/365.25^*$  of an annual Product Charge calculated using the following table. The monthly payment will be the sum of the daily calculations in the previous month.

Total Investment Value	Annual Charge Rate
First £25,000	0.50%
From £25,000+ to £250,000	0.30%
From £250,000+ to £750,000	0.25%
More than £750,000	0.15%

\* we use 365.25 instead of 365 to account for leap years

Each percentage rate applies to its relevant band rather than a single rate applying to the total amount. For example, if the total value is £150,000, £25,000 will be charged at 0.50%, and the next £125,000 at 0.30%. This results in an overall effective charge rate of 0.33% for each **account** or bond. The charge is calculated by taking into account the total value of your investments on the **platform**, whatever Charge Basis they are held on. The effective cost can therefore be significantly lower if you have additional holdings on the **platform**.

- d) We will deduct the Product Charge proportionally from all of the **crystallised sub accounts** in your **account**. The Product Charge arising from the **uncrystallised sub account** will be deducted from the largest **crystallised sub account**. Where there are no **crystallised sub accounts** we will deduct from the **uncrystallised sub account**.
- e) We will deduct the Product Charge from **cash** or if insufficient **cash** is held we will meet the shortfall by selling **units** proportionally from all your **funds** (including **model portfolios** and **Managed Portfolios**) in the relevant **sub account**.
- f) If we are unable to deduct the charge on the **account charge date**, due to other transactions in progress on the **account**, we will deduct it on the first **working day** after the other transactions are complete.

### 2.2 Chaps charge: £23.00

If you request payment of a withdrawal by **CHAPS**, we will deduct the **CHAPS** charge from your **account** in addition to your withdrawal. If you request a closure, we will deduct the **CHAPS** charge from the closure proceeds before we make payment.

### 2.3 Additional charges

- a) If your **account** is closed for any reason, we will retain any amount of £10 or less remaining in your **account** and treat it as a miscellaneous charge.
- b) We may agree with you to make an additional charge to cover any administration costs we incur in providing any additional services you request that are not included in these terms.

### 2.4 ETI transaction charges

#### Dealing charge

For each transaction which involves buying or selling **ETIs** within your **account** we will take a charge to cover the costs we incur as a result of the transaction. These are described below:





Transaction type	Charge for each eTi that is traded
Buy and sell <b>instructions</b> within a <b>model portfolio</b>	£1 charge
Buy and sell <b>instructions</b> outside of a <b>model portfolio</b> of £10,000 or less	£3.50
Buy and sell <b>instructions</b> outside of a <b>model portfolio</b> above £10,000	0.035% with a maximum charge of £15

For buys, the Dealing Charge will be deducted from the investment with the remainder buying the chosen **ETI**. For sell transactions the Dealing Charge will be deducted from the sell proceeds.

Associated costs

- a) **PTM levy** – A £1 charge is applied when you sell or buy **ETIs** with an aggregate value in excess of £10,000. The charge is deducted by our **stockbroker** when processing your **instruction**.
- b) Stamp duty – A 0.5% charge (of the transaction value) is applied when you buy **units** in certain **ETIs**.



### 3. Adviser and discretionary investment manager (DIM) fees

#### 3.1 Adviser Charging

- a) Under **Adviser Charging**, we can pay fees to your **financial adviser** on your behalf by deducting them from your **account** or investment.

**Adviser fees** will not be deducted during the period we are waiting confirmation of your authorisation. We will not backdate these fee payments and will only pay those that become due following confirmation of your authorisation.

- b) We can facilitate the payment of the following types of **adviser fee**:

i) Adviser Initial fee

This fee is deducted at the same time an investment is made into your **account**. The fee can be expressed as a specific amount of money or as a percentage of your investment. We will deduct the fee from the gross amount (after adding tax relief where applicable), before the investment is made into your account. We do not offer the facility to deduct an initial fee for investments where **funds** or **ETIs** are **re-registered** as part of a **transfer** in from another scheme.

ii) Adviser initial regular fee

This is a way to pay your **financial adviser** for services connected to regular investments into your **account**. The fee is expressed as an amount of money and is deducted from your **account** for a maximum of 24 months (or 2 annual collections for annual regular investments).

For example, a fee of £1,200 paid over 12 instalments for advice given in relation to a regular monthly investment would be deducted in instalments of £100 per month.

The adviser initial regular fee is deducted on the day of the month the relevant **sub account** was opened. If we are unable to deduct the fee on the anniversary, due to other transactions in progress on the **account**, we will deduct it on the first **working day** after the other transactions are complete. We will meet the fee by using **cash** held or where there is insufficient **cash** by deducting **units** proportionally from all the **uncrystallised funds** (including **model portfolios** and **managed portfolios**) in your **account** to meet the shortfall in line with section 1.

If you choose to cancel your regular investment, the adviser initial regular fee linked to the regular investment will also be cancelled. If a regular investment fails to collect the adviser initial regular fee will still be deducted.

iii) Adviser Ongoing Servicing Fee

An annual fee that you agree with your **financial adviser** for ongoing services in relation to your **account**. The fee can be expressed as a specific amount of money or as a percentage of your **account** value.

The fee can be applied separately to:

the **uncrystallised sub account** in your **account**

the **crystallised sub account(s)** in your **account**

The servicing fee is deducted monthly, quarterly, half yearly or yearly. If you authorise us to deduct the servicing fee monthly, quarterly, or half yearly:

- for servicing fees of a specific amount of money, we calculate the fee daily. The daily fee is the annual amount divided by 365.25. The fee deducted at the end of each selected period (monthly, quarterly, or half yearly) is the sum of the daily calculations for the period.
- for servicing fees agreed as a percentage, we will calculate the fee daily. The daily fees will then be added together and deducted at the end of each selected period (monthly, quarterly, or half yearly).

The servicing fee is deducted on the relevant **account charge date**. If we are unable to deduct the fee on the **account charge date**, due to other transactions in progress on the **account**, we will deduct it on the first **working day** after the other transactions are complete.

The fee can be applied to one or more **sub accounts** in your **account**, however, we will deduct an amount to pay for the servicing fee in respect of the **uncrystallised sub account** from the largest valued **crystallised sub account** held in your **account**. Where there are no **crystallised sub accounts** or insufficient value in the **crystallised sub account** to meet the payment, we will deduct from the **uncrystallised sub account**.

We will meet the fee by using cash held in the relevant **sub account** or where there is insufficient **cash** by deducting **units** proportionally from all the **funds** (including **model portfolios** and **Managed Portfolios**) in the relevant **sub account** to meet the shortfall in line with section 1.

## iv) Adviser ad hoc fee

A one-off fee payable to your **financial adviser**. It is expressed as a specific amount of money. We will deduct the fee from **cash** held within your relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** proportionally from all **funds** (including **model portfolios** and **Managed Portfolios**) within the relevant **sub account** in line with section 1.

c) All **adviser fees** are assumed to include VAT if applicable.d) You can amend an **instruction** for the following **adviser fees**:

- adviser initial regular fee (can be amended for future regular investments only)
- adviser ongoing servicing fee

You must give us at least ten **working days'** notice to amend an **adviser fee**.

e) You cannot cancel an **adviser fee** once it has been deducted.f) If you change your **financial adviser**, we can pay **adviser fees** to your new **financial adviser** on your behalf following confirmation of your authorisation.g) After we have deducted a fee, we will hold it on behalf of your **financial adviser** and as such it will cease to be treated as your money. We will then pay it to your **financial adviser** in line with the terms agreed with them.

The amount and frequency of **adviser fees** and the basis on which they are deducted from your **account** are a matter between you and your **financial adviser**. If you have any questions about these fees, you should therefore speak to your **financial adviser**.

## 3.2 Discretionary management portfolio fees

a) We can pay fees to your **DIM** on your behalf by deducting them from your **account**. You can agree an annual fee with your **DIM** for ongoing services in relation to your **DIM model portfolio**. The fee is expressed as a percentage of the investment held within the **model portfolio**.b) The **DIM fee** will be calculated daily from the date authorised. The daily fees will then be added together and deducted from your **account** on the first **working day** of the month due.c) If we are unable to deduct the fee on the charge date, due to other transactions in progress on the **account**, we will deduct it on the first **working day** after the other transactions are complete. We will meet the fee by using **cash** held or where there is insufficient **cash** by deducting **units** proportionally from all the **funds** (including **model portfolios** and **managed portfolios**) in the relevant **sub account** to meet the shortfall in line with section 1.d) If we receive **instructions** to end the appointment of a **DIM**, or we cease to act on the **instructions** of the **DIM** as described in term 31.7, we will stop any **DIM fees** to the **DIM** on your behalf, as outlined in term 31.4.



## 4. Rebates

4.1 **Fund managers** pay us annual management charge **rebates** (referred to as **rebates**), which we **reinvest** in the **funds** from which they originate.

- a) The **fund manager** will usually pay this **rebate** to us on a monthly basis.
- b) A **rebate** will be allocated to you if you held the **fund** within your **account** during the month. Where you have only held the **fund** for part of the month you will only be eligible for a proportion of the **rebate**. Any **rebate** received for your **account** will be **reinvested** into the **fund**, from which the **rebate** was received up to ten **working days** after we receive it from the **fund manager**, unless it is below our minimum value for **rebates**. If the **fund** is part of a **model portfolio** or **Managed Portfolio**, then the **rebate** will be reinvested into the **model portfolio** or **Managed Portfolio** as **cash**. The **rebate** will usually be paid by the **fund manager** within three months of the month end for which it is calculated. You will receive the price applicable on the day the **reinvestment** is applied to your **account**. The calculation of **rebates** to be allocated will exclude any transactions involving the sale or purchase of **units** that are in progress when the calculation is carried out.

For example, a **rebate** for 30 June may be paid by the **fund manager** on 30 September, and may be credited to your **account** on 12 October.

- c) We will not **reinvest rebates** received into the **fund** from which the **rebate** was received, where the value is below our minimum for **rebates**. The **rebate** will instead be held as **cash** within your **account**.

Our minimum amounts are set out in the **Account eligibility and requirements guide**.

- d) If a **fund** generating a **rebate** is closed or suspended or the **fund** generating the **rebate** is part of a **model portfolio** or **Managed Portfolio** which has been closed by your **financial adviser** or **DIM** the **rebate** will be held as **cash** instead of being **reinvested**.
- e) The transaction to buy additional **units** with a **rebate** payment is known as a '**reinvested rebate**'.
- f) Calculations for the **reinvested rebate** will be performed daily based on the value of the related **fund** in your **account** at the end of each day, excluding any transactions that are in progress. At the end of each month these daily values will be added together to provide a monthly entitlement to the **rebate**.

## Account eligibility and requirements guide

Eligibility	
Age – to open a new <b>account</b> or top up an existing <b>account</b>	<p>No minimum age to open an <b>account</b>. However, a legal guardian is required to sign on behalf of an <b>account holder</b> who is under 18 years of age.</p> <p>To make lump-sum and regular investments you must be no more than 74 years of age. This means that your investment should be received at least five <b>working days</b> before your 75th birthday.</p> <p>To <b>transfer</b> into a new <b>account</b> you must be no more than 84 years of age. This means that your investment should be received at least five <b>working days</b> before your 85th birthday.</p>
Relevant UK Individual	<p>You must be a relevant <b>UK</b> individual.</p> <p>Individuals are relevant <b>UK</b> individuals if they:</p> <ul style="list-style-type: none"> <li>(a) have relevant <b>UK</b> earnings chargeable to income tax for that <b>tax year</b></li> <li>(b) are resident in the <b>UK</b> at some time during that <b>tax year</b></li> <li>(c) were resident in the <b>UK</b> at some time during the five <b>tax years</b> immediately before the <b>tax year</b> in question and they were also resident in the <b>UK</b> when they joined the pension scheme</li> <li>(d) have for that <b>tax year</b> general earnings from overseas Crown employment subject to <b>UK</b> tax (as defined by section 28 of the Income Tax (Earnings and Pensions) Act 2003); or</li> <li>(e) are the spouse or civil partner of an individual who has for the <b>tax year</b> general earnings from overseas Crown employment subject to <b>UK</b> tax.</li> </ul>
Residency	<p>You must be one of the following:</p> <ul style="list-style-type: none"> <li>(a) resident in the <b>UK</b></li> <li>(b) a Crown employee serving overseas</li> <li>(c) the spouse or civil partner of a Crown employee serving overseas.</li> </ul>



Variable product features	
Income withdrawal – minimum	£25 per month or £300 per year. £125 for ad hoc withdrawals from <b>crystallised funds</b> .
Income withdrawal – tax-efficient regular income minimum	The minimum amount to <b>crystallise</b> is £125 per month.
Investment – minimum for new accounts	£3,600 (gross) for new lump-sum or <b>transfer</b> payments £99 (gross) per month for monthly Direct Debits £3,600 (gross) for annual Direct Debits Where there is more than one party paying into your <b>account</b> , the minimum each party must pay is: £1,800 for lump-sums and <b>transfer</b> payments £50 per month for monthly Direct Debits £1,800 for annual Direct Debits.
Investment – minimum for top-ups	There is no minimum investment amount.
Lifetime allowance	For the <b>tax year</b> 2020/21 this is £1,073,100. The limit in subsequent <b>tax years</b> will be set by <b>HMRC</b> .
Minimum amount to crystallise	£125
Normal minimum pension age	55
Pension input period	The <b>pension input period</b> will commence when we receive the first lump-sum or regular investment and will run until the following 5 April. Each subsequent <b>pension input period</b> will run from 6 April each year and end on the following 5 April.
Rebate- Reinvestment minimum	£1
Single withdrawal - maximum	For single one-off withdrawals the maximum is 95% of the <b>account</b> value or 95% of any individual <b>fund's</b> or <b>ETI's bid value</b>
Switches	Unless you are <b>switching</b> a <b>fund</b> or <b>ETI</b> in its entirety, the maximum that can be <b>switched</b> out is 95% of its <b>bid value</b> .
Tax rate for lifetime allowance excess	55% if taken as a lump sum 25% if used to provide pension benefits 25% if <b>transferred</b> to a Qualifying Recognised Overseas Pension Scheme.
Tax relief	To be eligible for tax relief in a <b>tax year</b> , you must be a relevant <b>UK</b> individual. The tax relief available on personal and third party investments for the <b>tax year</b> 2020/21 is the greater of £3,600 or 100% of <b>UK</b> relevant earnings. The allowance in subsequent <b>tax years</b> will be set by <b>HMRC</b> .



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