



Terms and Conditions

for the Collective Investment Bond

These terms and conditions only apply to Collective Investment Bonds that are on Charge Basis 3. If your bond 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.***

Quilter

These terms and conditions, the Confirmation Schedule, the Cost and Charges Statement and the online Customer Centre terms and conditions (if you have agreed to those terms) together form a legally binding agreement between you, the account holder (or joint bond holders), and us, Quilter Life & Pensions Limited (Quilter), for the Collective Investment Bond (the bond).

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. All references to us, we and our mean Quilter Life & Pensions Limited.

The following documents also provide important information about your **bond** but do not form part of your **agreement** with us. If there are any discrepancies or conflict between your **agreement** and these documents, your **agreement** will take precedence:

- Key Information Document for the Collective Investment Bond
- **Key Features Document**
- the Funds Lists.
- the **Key Information Documents** for your chosen **funds**.

Need additional help reading documents?

More and more customers are using screen reading software as a quick and easy way to read their documentation if they are blind, partially sighted or dyslexic.

To view this document online, so you can use a screen reader, simply activate your online Customer Centre account where you can access your investment and documents in a similar way to online banking.

Alternatively, we can write to you in a number of alternative formats, such as large print, Braille, audio and OpenDyslexic font.

Find out more about screen readers, accessing your documents online and our alternative format options at

www.quilter.com/document-help

Our contact details:

✉ Quilter,
SUNDERLAND
SR43 4JP

☎ 0808 171 2626

✉ ask@quilter.com

Quilter Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The Financial Conduct Authority
12 Endeavour Square
Stratford
London
E20 1JN

The Prudential Regulation Authority
20 Moorgate
London
EC2R 6DH

Contents

Glossary	4	30. Capital protected death benefit charge	17
Opening a bond	6	31. CHAPS charge	18
1. Eligibility	6	32. Additional charges	18
Bond eligibility and requirements guide	6	Ownership of your bond	18
2. Application	6	33. Joint bonds	18
3. Changing your mind	7	34. Bonds held on trust	18
Your bond	7	35. Appointment of a lead bond holder	18
4. How your bond works	7	36. Assignment	19
5. How your life policies work	8	General	19
6. Payment of death benefit	8	37. Changes to funds and related trading restrictions	19
7. Investing in your bond	8	38. Changes to this agreement	20
Assets	8	39. Statements	21
8. Funds	8	40. Valuing your bond and your funds	21
9. Adviser and discretionary managed model portfolios	9	41. Online Customer Centre	21
10. Transactional cash	9	42. Your financial adviser	21
11. Phased investment	9	43. Your discretionary investment manager (DIM)	22
12. Switching	10	44. Adviser charging	22
Distributions of income	10	45. Discretionary management portfolio fee	23
13. Reinvestment of income	10	46. Our liability	23
14. Rebates	11	47. Amounts you owe us	24
Withdrawals	11	48. Correspondence	24
15. Regular withdrawals	11	49. Miscellaneous	24
16. Single withdrawals	12	50. Complaints	25
17. Payment of withdrawals	12	51. Compensation	25
Closing your bond	13	52. Appointment and Terms and Conditions of our Managed Portfolio Service	26
18. Closure by you	13	53. Conditions and restrictions to your agreement if you use the Managed Portfolio Service	27
19. Closure by us	13	54. Order execution policy	28
20. General closure provisions	13		
Instructions	14		
21. Sending instructions to us	14		
22. Accepting your instructions	14		
23. Processing instructions	14		
Charges	15		
24. Product charge	15		
25. How we deduct the Product Charge	16		
26. Treasured funds	16		
27. Family Linking	16		
28. Managed Portfolio Service Charge	17		
29. Life fund tax charge	17		

Glossary

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, which also includes a secure email facility, on which your **financial adviser** can manage your **bond**.

Adviser fee – An initial fee, ongoing servicing fee or ad hoc fee payable to your **financial adviser**, as described in term 44.

Agreement – The terms contained in this document together with the online service agreement for Quilter's **online Customer Centre** (where you have agreed to those terms).

Bid price – The selling price of **units** in **funds**.

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

Bond - Your investment bond made up of a collection of **life policies**.

Bond charge date – The **working day** on which we deduct the Product Charge and any adviser ongoing servicing fee from your **bond**. The **bond charge date** is based on the date that your first bond or account was applied for on our technology platform. If the bond charge date is not a **working day**, any sale of investments relating to the charge or fee will be placed on the next **working day**.

Bond holder or bond holders - You, the (sole or joint) legal owner of the **bond**. This means the individual(s), corporate entity or trust, named on the application, and your survivors or the legal personal representatives of the last of you to die.

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, which we deduct from the payment value.

Confirmation Schedule – A personalised confirmation from us of your **bond** start date, your investment details, the **death benefit** applicable to your **bond**, the **lives assured** and details of your cancellation rights.

Dealing day - Any **working day** on which the relevant **fund manager** accepts trades to buy and sell **units**.

Death benefit – The amount payable on the death of the **life assured** or the last surviving **life assured** if more than one.

Default cash fund – The BlackRock Cash Fund, or any other **fund** that we may select to use as the default cash fund.

Discretionary investment manager (DIM) – A person or firm that acts on your behalf following your request to use their service in respect of your **bond**. 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 **bond**. 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 – A fee expressed as a percentage which is charged by the **discretionary investment manager** providing investment decisions on your **bond**.

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.

Fund – Any fund that you may invest in as part of your **bond** 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**.

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

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

Instruct, instruction, instructed – An instruction to us in accordance with term 21, to carry out a transaction relating to your **bond** including: making a lump-sum investment, **phased investment**, **switching**, paying a regular withdrawal, paying a single withdrawal and closing your **bond**.

Key Features Document (KFD) – A document summarising the key features of your **bond**.

Lead bond holder – An individual who is authorised to provide certain **instructions** on behalf of all **bond holders**, or if the **bond holder** is a corporate entity on behalf of that corporate entity, or if the **bond holders** are trustees on behalf of all the trustees.

Life assured, lives assured – A person (or persons) whose life is insured under the terms of the **bond**.

Life policy – A life assurance policy held within the **bond**.

Linked account(s) – an account owned by an eligible family member whose value(s) is included in the Product Charge calculation for this **bond**.

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.

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

Managed Portfolio Service Charge – A charge expressed as a percentage which is charged by us for providing the **Managed Portfolio Service** on your **bond**.

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**.

Offer price – The buying price of **units** in a **fund**.

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

Online Customer Centre terms and conditions – The terms and conditions governing your use of our **online Customer Centre**.

Phase, phasing, phased investment – Automatic monthly instalments to **switch** from the **default cash fund** into **funds** in your **bond**.

Postal address – Quilter, SUNDERLAND, SR43 4JP.

Quilter Interest – A monthly adjustment to the **transactional cash** balance using a rate set by us. The rate will fluctuate based on our current interest rate expectations. The rate we set takes into consideration taxes incurred by us.

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 **bond**.

Reinvest, reinvestment, reinvested – Using **rebates** and income from **funds** in your **bond** to buy more **units**.

Statement – A statement showing the value of **funds** on your **bond** and any transactions processed in relation to your **bond** since the last **statement**. It does not include any measurement of the performance of **funds** held in your **bond**.

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

Transactional cash – A cash balance held within your **bond** to simplify buying and selling of assets. This cash is also used for payment of **financial adviser** and **DIM** fees as well as our Product Charge. **Transactional cash** can also be held within a **model portfolio** or **Managed Portfolio**.

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

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

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

Working day – This is a day on which we are open for business.

Opening a **bond**

1. Eligibility

1.1 The requirements for opening a **bond**, including the minimum investment requirements and eligibility criteria, are set out below:

Bond eligibility and requirements guide

Eligibility	
Age – maximum to open a new bond	No maximum for the age of the bond holder(s) Age of life assured - age 90 attained (applies to youngest life assured for joint bonds). Capital Protected Death Benefit is not available if any life assured is above age 90 attained.
Age – maximum to top up an existing bond	No maximum age
Age – minimum	Bond holders – age 18. Lives assured if different to bond holders – age 3 months.
Applicants – maximum number	2
Applicant types	Individuals, joint applicants, trustees of a trust, corporate entities.
Lives assured – maximum	10
Residency	You must: a) be a UK resident and b) not be a citizen of Russia or Belarus.
Maximum and minimum limits	
Investment – maximum	There is no maximum amount
Investment – minimum for new bond	£10,000

2. Application

- 2.1 To open or top up a **bond**, our current application must be completed and sent online by your **financial adviser** using our **adviser extranet**, unless we allow or request it in any other format such as a paper application. It is a requirement for your email address to be included as part of the application.
- 2.2 Within your application you will have named one or more **lives assured**. Once your **bond** has started you cannot change the individuals named as **lives assured**.
- 2.3 Once we have received your application, we will send you details of the information sent to us or 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 **financial adviser** can also give you a form to sign to provide us with a specimen of your signature. Without it, there could be delays in carrying out your **instructions** in the future.
- 2.4 We will not accept your application until we have received all of the following (where applicable):
- a complete application from your **financial adviser** as described in term 2.1
 - a valid payment for your investment in pounds sterling. Valid payment methods are: a cheque, a bank transfer made to us or (for online applications only) a debit card authorisation from a **UK** bank/building society
 - proof of your identity and address and any other information we may reasonably need. For example, we may ask you to provide evidence of the source of the money for your investment and confirm your tax residency status and nationality.

- 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.
- Please refer to term 23 for more details on the timescales involved in processing **instructions**.

- 2.5 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 10 **working days**:
- a) if we are just waiting for a revised **fund** choice, we will open your **bond** and the relevant amount of your payment will be placed into the **default cash fund** until we receive valid **instructions** to **switch** it into one or more **funds**
 - b) in any other case, we may return the sum paid to us as part of your application.
- 2.6 If we accept your application, we will send you a **Confirmation Schedule** to your document library.
- 2.7 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 to us.
- 2.8 Your **bond** start date will be the **working day** on which we accept your application to open a **bond**. We will notify you of your **bond** start date in our **Confirmation Schedule**. Your **bond** start date may be earlier than the date on which we invest your payment.
- 2.9 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. The fee will be held in our bank account until we receive the authorisation. If we do not receive valid authorisation within 10 **working days** we will return the sum, equal to the fee, to you in full.
- 2.10 We require a new fee authorisation in any of the following circumstances:
- a) a monetary initial fee is requested
 - b) the amount of a fee is increased
 - c) a change is made between monetary and percentage fees
 - d) you change your **financial adviser**.

3. Changing your mind

- 3.1 You have 30 days to cancel your initial application to open your **bond**, starting from the date we email you, confirming that your **Confirmation Schedule** is available in your document library or, where we have agreed to write to you by post, starting from the date we post the letter to you. You can cancel your initial application by writing to us at our **postal address** or by communicating in any other format that we reasonably accept.
- 3.2 Where you cancel, we will refund any Product Charge deducted from your **bond**. No deduction will be made for any Product Charge calculated but not yet applied.
- 3.3 We cannot repay any fees we have paid to your **financial adviser** or **discretionary investment manager (DIM)** if you cancel your application. You should speak to your **financial adviser** or **DIM** about whether repayment of fees is appropriate in these circumstances.
- 3.4 If the value of your **bond** has fallen during the cancellation period, you will only get back the fallen value of your **bond**, less any **financial adviser** and **DIM** fees already paid. If the value of your **bond** has increased during the cancellation period, you will only get back the amount that you invested, less any **financial adviser** and **DIM** fees already paid and we will keep any increase in value.
- 3.5 If you cancel your application and your **bond** is invested in a suspended **fund**, we will process your **instruction** to cancel but will only be able to return your investment in the active **funds** subject to term 3.4. Once the suspension has been removed we will send you any amount owed subject to term 3.4.
- 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** or **DIM**.
- 3.7 Cancellation rights do not apply where you top up your **bond**.

Your bond

4. How your bond works

- 4.1 Your **bond** is made up of 1,000 identical **life policies**. The number of **life policies** will reduce if you choose to withdraw money from your **bond** by selling any of those **life policies**.
- 4.2 The investments you make into your **bond** (less any applicable charges and **adviser fees**) are used to purchase **units** in **funds** (including those within **model portfolios** and **Managed Portfolios**), as you **instruct** us.
- 4.3 The value of your **bond** at any time is equal to the value of the **units** in the **funds** that you have chosen at their **bid value** plus any balance in **transactional cash** (less any applicable charges). However, you do not own the **units**, the **funds** or any underlying assets, or **transactional cash** which remain our property.

5. How your life policies work

5.1 Each investment into your **bond** is spread evenly across all your **life policies**. This means that each **life policy** is identical in terms of the amount of investment and the number of **units** allocated to it.

Please refer to the **Key Features Document** and speak to your **financial adviser** if you require further information.

6. Payment of death benefit

6.1 If your **bond** is established on a single life basis, then the **death benefit** will be payable upon the death of the **life assured**. If your **bond** is established on a joint life basis, then the **death benefit** will be payable on the death of the last surviving **life assured**. Payment of the **death benefit** ends all of our obligations under this **agreement** and closes your **bond**.

6.2 If you have chosen capital protected **death benefit**, the **death benefit** is calculated as the greater of:

- a) the total investment paid into the **bond** prior to the date we receive written notification of the death of the **life assured**, less all withdrawals including **adviser** and **discretionary management portfolio fees**, and applicable charges; or
- b) 100.1% for bonds with a start date of 25 November 2024 or later, or 101% for bonds with a start date on or before 24 November 2024. The percentage applicable is confirmed within your **Confirmation Schedule**.

6.3 If you have not chosen to add capital protected **death benefit**, the **death benefit** is 100.1% for bonds with a start date of 25 November 2024 or later, or 101% for bonds with a start date on or before 24 November 2024. The percentage applicable is confirmed within your **Confirmation Schedule**.

6.4 The value of your **bond** for the purpose of calculating **death benefit** is equal to the latest available **bid value** of the **funds** in your **bond**, less any applicable charges. Our receipt of notification of the death of the last **life assured** will be deemed to be an **instruction** to sell the **funds** within your **bond**.

Following payment of the **death benefit**, we will pay any income or **rebates** which were earned but not yet received at the point we made the payment of the **death benefit**. Any payments made under this term do not form part of the **death benefit** described under term 6.2 and 6.3.

The total of any additional payments is subject to term 20.3, which applies to amounts of under £10.

Please see the **Key Features Document** for information regarding tax charges on death.

6.5 It is important to report the deaths of any of the **lives assured** as soon as possible. A claim for the **death benefit** will need to be accompanied by the death certificate and any other documentation we may reasonably request.

7. Investing in your bond

7.1 You can **instruct** us to invest in your **bond** by making a single investment by cheque, bank transfer (or for online applications only) debit card payment to us.

7.2 We use your investments (less any applicable charges and **adviser fees**) to buy **units** on your behalf in the **funds** you have selected, by liaising with the **fund manager(s)** to transmit your **instructions** to them on your behalf. The number of **units** allocated to each **fund** will be determined by dividing the value of the investment allocated to that **fund** by the **offer price** of the **units** in that **fund** on the day they are bought.

For details of the charges please see terms 24-32.

7.3 We will process your **instruction** to make an initial or top-up 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. In the case of top-up investments, we can deduct the value of our loss from your **bond**. We will keep any increase in the cancelled investment value.

Assets

8. Funds

8.1 You can invest into **funds** on our published Funds List. A copy of our latest Funds List can be found on our website: quilter.com/investments/platform-funds/.

8.2 If you select a **fund** which is not available, we will invest this amount into the **default cash fund**, until such time as we receive a valid **instruction** from you to **switch** to a different **fund**.

8.3 If you have invested in a **fund** that generates income, that income will be automatically used to buy more **units** in that **fund**. If the **fund** that generated the income is part of a **model portfolio** or **Managed Portfolio** which has been closed, then the income will be held in **transactional cash**.

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 **funds** from our Funds List to build these **model portfolios**.
- 9.3 For providing **model portfolios**, your **DIM** may apply an additional fee to your **bond**. 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**. You will also be able to see the deductions within your regular statement described in term 39.
- 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** within the model to bring the model back to its target allocation (or closer to it) or to invest into **funds** in line with the target allocation. The exception to this is where **reinvested** income under term 13 is £5 or less, whereby it will be **reinvested** into the **model portfolio** or **Managed Portfolio** as **cash**.
- 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** within the model to bring the model back to its target allocation (or closer to it) or to sell **funds** in line with the current proportions within the **model portfolio**.

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

- 9.6 Where a **model portfolio** has a negative **transactional cash** balance, for example where the price of a buy transaction is found to be incorrect, we will clear the negative balance by selling **units** in the least volatile **fund** based on past performance. Where we do this, we will sell the greater of £10 or the amount required to clear the negative balance.

When selecting the least volatile **fund**, we use a set formula and consider data over a 5-year period, where available. The formula used is available should you request it.

10. Transactional cash

- 10.1 **Transactional cash** is held within your **bond** to simplify buying and selling of **funds**. This **transactional cash** is also used for payment of **financial adviser** and **DIM** fees as well as our Product Charge as described in term 24. **Transactional cash** may also be held within a **model portfolio**, described under term 9 or **Managed Portfolio**, described under term 52. **Transactional cash** cannot be selected as an investment option for your **bond**.
- 10.2 We will adjust the balance of **transactional cash** on the first **working day** of the month to reflect **Quilter Interest**. This monthly adjustment is calculated daily at a rate set by us. The daily values are added together to provide the monthly adjustment and is credited or deducted (where the **Quilter Interest** is negative). **Quilter Interest** is only credited or deducted on cleared **transactional cash** balances (for example, cheque payments will be considered cleared on the third **working day** after we have banked them).

Details of how the interest rate is set and our current rate paid on **transactional cash** balance are on our website.

quilter.com/cashdeposit

The rate is updated from time to time, eg following an interest rate change from our banking partners.

- 10.3 In exceptional circumstances, where the balance held in **transactional cash** exceeds a level required to enable buying and selling of **funds** and the payment of fees and charges, we may ask you to **switch** some of the balance into **funds**. If after 30 days the balance, in our opinion remains excessive, we will **switch** some of the balance into the **default cash fund**.
- 10.4 You do not pay a Product Charge on the balance held in **transactional cash**.

11. Phased investment

- 11.1 You can **instruct** us to **phase** a lump-sum investment in your **bond** or any value held in the **default cash fund** into **funds** (excluding the **default cash fund**), **model portfolios** and **Managed Portfolios**. We will hold your investment in the **default cash fund** then **phase** your investment into your chosen **funds** 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 10 **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 10 **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 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 in the **default cash fund** in your **bond**. Where deductions have been made from the **default cash fund** 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 process **phased investment** instalments on the **dealing day** we have calculated them.
- 11.6 When your **phasing instruction** is completed, any growth achieved within the **default cash fund** during the **phasing** period will remain invested in the **default cash fund** until we receive a **switch instruction** from you or your **financial adviser**.
- 11.7 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 10 **working days** before the next calculation date, we cannot guarantee that your cancellation will take effect for that month.
- 11.8 Your **instruction** to **phase** will also be cancelled if:
- there is no value in the **default cash fund** when **phasing** is due to occur
 - you **switch** your entire **bond** (including the **default cash fund**) into different **funds** from those selected for your **phased investment**
 - the **model portfolio** selected for your **phased investment** is closed
 - we are notified of the death of the sole or last surviving **bond holder**
 - you assign 100% of your **bond** to a new owner.

12. Switching

- 12.1 You can **instruct** us to **switch**:
- a percentage of your investment in a **fund** (including **model portfolios** and **Managed Portfolios**)
 - a specified monetary amount held in a **fund** (including **model portfolios** and **Managed Portfolios**).
- 12.2 We will carry out your **instructions** by communicating them to the **fund manager(s)** on your behalf. Unless you are **switching** 100% of a **fund** the maximum that can be **switched** out is 95% of its **bid** value.
- Please refer to term 37 for what happens if a **fund** is closed or suspended.
- 12.3 If you are **phasing** an investment into a **fund**, an **instruction** to **switch** from that **fund** only applies to the **units** you hold in that **fund** at the time of the **instruction** and not the **phased investment** itself. We will continue to use the **phased investment** to buy **units** in the original **fund**, by liaising with the **fund manager(s)** to transmit the **instructions** on your behalf, unless you instruct us otherwise.
- 12.4 If you **instruct** us to **switch** to or from multiple **funds** (including **model portfolios** and **Managed Portfolios**), 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.
- 12.5 Where you **instruct** us to **switch**:
- a percentage from **funds** (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 as completed and we receive confirmation from the **fund managers** of the price for each sold **fund**. It may take up to five **dealing days** to complete your **instruction**
 - a specified monetary amount held in a **fund** (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**.

Please refer to term 23 for information about when we process your **instructions**.

Distributions of income

13. Reinvestment of income

- 13.1 If you have invested in **income units** of a **fund**, any related income received will be **reinvested** into your **bond** under this term 13. You can choose one of the following income **reinvestment** options:
- reinvest** the income into the **fund** from which it was paid, up to 10 **working days** after we receive it
- or

b) hold the income as **transactional cash** within your **bond**.

If the **fund** is part of a **model portfolio** or **Managed Portfolio**, and 13.1a) is chosen by your **financial adviser** or **DIM**, then the income will be **reinvested** into the **model portfolio** or **Managed Portfolio** in line with term 9.4. **Quilter Interest** earned on **transactional cash** held within a **model portfolio** or **Managed Portfolio** is also **reinvested** in line with this term. If the **model portfolio** or **Managed Portfolio** has been closed by your **financial adviser** or **DIM**, then the income will be held as **transactional cash** within your **bond**.

13.2 We may **reinvest** income into a **fund** within your **bond** after we have processed an **instruction** to **switch** all of your **units** out of that **fund**. If this happens, the **units** bought with the **reinvestment** will remain in the original **fund** until you **instruct** us to **switch** it.

14. Rebates

14.1 **Fund managers** pay us annual management charge **rebates**, which we **reinvest** in the **funds** from which they originate.

14.2 The **fund manager** will usually pay this **rebate** to us on a monthly basis. A **rebate** will be allocated to you if you held the **fund** within your **bond** during the previous month. Where you have only held the **fund** for part of the month you will only be eligible for a proportion of the **rebate**.

14.3 Any **rebate** received for your **bond** will be **reinvested** into the **fund** from which the **rebate** was received up to 10 **working days** after we receive it from the **fund manager**. 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 **transactional cash**.

14.4 A **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 **bond**. 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.

14.5 We will not **reinvest rebates** received into the **fund**, from which the **rebate** was received, where the value is below £1. The **rebate** will instead be held as **transactional cash**.

14.6 If your **bond** has been closed, we will still pay any remaining **rebate** entitlements in line with term 20.

14.7 If a **fund** generating a **rebate** is closed or suspended, or the **fund** generating the **rebate** is part of a **model portfolio** or **Managed Portfolios** which has been closed by your **financial adviser** or **DIM**, the **rebate** will instead be held as **transactional cash**.

14.8 The transaction to buy additional **units** with a **rebate** payment is known as a '**reinvested rebate**'.

14.9 Calculations for the **reinvested rebate** will be performed daily based on the value of the related **fund** in your **bond** 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**.

Withdrawals

15. Regular withdrawals

15.1 You can **instruct** us to pay you regular withdrawals from your **bond**, specified as a monetary amount. Each withdrawal will be paid proportionally from all the **life policies** in your **bond**.

15.2 We will raise the money to pay your regular withdrawal in one of the following ways as specified in your **instruction**:

a) by selling **units** from all of your **funds** (including **transactional cash**, the **default cash fund**, **model portfolios** and **Managed Portfolios**) proportionally (unless a **fund** makes up 2% or less of the **bond** value) based on the value of your **bond** at the time of sale; or

b) by selling **units** from specific **funds** (including **model portfolios** and **Managed Portfolios**).

15.3 We will sell **units** proportionally from all your **funds** if:

a) you do not tell us how you would like us to raise the money to pay for your regular withdrawals

b) the value of any of your specified **funds** is insufficient to meet the payment required.

15.4 Where the withdrawal would mean taking more than 95% of the value in a specific **fund**, we will sell all **units** within the **fund(s)** to ensure we can pay your regular withdrawal. Any residual money following the regular withdrawal payment will be held as **transactional cash**.

15.5 We will sell **units** to pay for regular withdrawals up to 10 **working days** before the payment date.

- 15.6 Each regular withdrawal must be at least the minimum regular withdrawal amount of £25.
- 15.7 We will pay regular withdrawals to a bank account nominated by you on your chosen payment date each month specified in your **instruction**. You can choose any payment date from the 1st to the 28th.
- 15.8 You can choose the start month for your regular withdrawals and we will make your first payment on your chosen payment date of the first month specified in your **instruction**. However, if we receive your **instruction** less than 10 **working days** before your chosen payment date, we cannot guarantee that it will take effect for that month. If you do not specify a start month we will start your withdrawals on the next available of the payment months you have chosen.
- 15.9 Where your chosen payment date is not a **working day**, we will pay your regular withdrawal on the last **working day** before that date.
- 15.10 You can cancel or change a regular withdrawal **instruction** at any time. If we receive your **instruction** less than 10 **working days** before your next regular withdrawal we cannot guarantee that it will take effect from that month.
- 15.11 Regular withdrawals will be cancelled if your **bond** value falls below your regular withdrawal amount. Where this happens we will not make a part payment to you.
- 15.12 Regular withdrawals will be cancelled if the only **fund** held in your **bond** is suspended as described in term 37.2. If you wish to recommence after the suspension has been removed, you will need to **instruct** us to do so. This term will also apply where the value in active **funds** falls below your regular withdrawal amount. Where this happens we will not make a part payment to you.

16. Single withdrawals

- 16.1 You can **instruct** us at any time to pay you a single withdrawal from your **bond**. Once you have given us your **instruction** you cannot cancel it. A single withdrawal is subject to a minimum of £50 and a maximum of 95% of the **bond** value.
- 16.2 You can **instruct** us to take your single withdrawal by:
- a) closing one or more **life policies**, and therefore selling all of the **funds** in those **life policies**
 - b) withdrawing a specific amount of money from your **bond** as a whole by selling **units** in specific **funds** (including **model portfolios** and **Managed Portfolios**)
 - c) withdrawing a specific amount of money from your **bond** as a whole by selling **units** proportionally from all **funds**.
- Where you choose 16.2(b) or 16.2(c) these withdrawals will be deducted proportionally across all the **life policies** in your **bond**.
- 16.3 If you do not specify how your withdrawal should be made or we deem your **instruction** to be unclear, we will not process your request until you provide written confirmation of which type of withdrawal you wish to make in accordance with term 16.2.
- The tax implications may differ depending on which choice you make. Your **financial adviser** will be able to explain these to you.
- 16.4 Should term 16.3 apply, your request will only be treated as accepted in accordance with term 23.1 when we have received a clear **instruction** and the **unit** price you receive will be determined in accordance with term 23.2. We will not be liable for any loss in value that arises as a result of the delay.
- 16.5 If your **instruction** is for a specified monetary amount, unless you have **instructed** us to sell all **units** in a **fund**, you can only withdraw up to the maximum equivalent percentage amount allowed.
- 16.6 If your **instruction** is to sell **units** from a specific **fund(s)** and the value of a **fund** falls after we have accepted your **instruction** leaving insufficient value to pay your single withdrawal, we will raise the shortfall in line with term 25.1.
- 16.7 We stipulate a minimum value for your **bond**. If at any time the **bond** value falls below our minimum value of £1,000 then we may decide to close your **bond** as described in term 19 unless you offer to top up your **bond**. Should your **bond** have no value at any time we will close it. You will be unable to top up your **bond** once it has been closed.
- 16.8 You will receive the payment of your single withdrawal within 10 **working days** of acceptance of your **instruction** by us.

Please refer to term 23 for information about when we process your **instructions**. It may take up to five **working days** for us to receive the sale proceeds from the **fund managers**. It may then take a number of days before the money reaches your bank account. We will pay the sale proceeds as one amount once we receive them from the **fund managers** for all of the **funds** being sold. Typically this process can take up to 10 **working days**

17. Payment of withdrawals

- 17.1 Except as set out in this term, we will only make payments to you. If you **instruct** us to do so, we may agree to make payment to another **UK** financial institution, your **financial adviser** or your solicitor on your behalf, provided they are allowed to hold client money.
- 17.2 If the **bond** is held jointly, the **instruction** to pay your withdrawal must be signed by all **bond holders**. Payment in accordance with your **instruction** will discharge our obligations to all **bond holders**.

- 17.3** If the **bond** is held in the name of a corporate entity, the **instruction** to pay a **withdrawal** must be signed by the authorised signatories and we will only make payment to a **UK** bank account in the name of that corporate entity.
- 17.4** If you hold your **bond** on trust, an **instruction** to pay a withdrawal must be signed by all trustees.
- a) If the trust is for a pension scheme, we will only make payments to the trustee **UK** bank account.
- b) For other types of trust, you may **instruct** us to make payments to a **UK** bank account in the name of any of the following:
- i) the trust
 - ii) one or more of the trustees
 - iii) one or more beneficiary, provided the beneficiary is at least 18 years old and we receive acceptable proof of their identity.
- 17.5** Payments will be made in pounds sterling by electronic bank transfer.
- 17.6** We may agree to pay by **CHAPS**. If we do, we will deduct a **CHAPS** charge described in term 31.
- 17.7** If a payment is returned to us by your bank we will make reasonable attempts to arrange an alternative payment method with you.

Typically, it can take up to 10 **working days** before the money from a withdrawal reaches your bank account. This is because it can take up to five **working days** for us to receive the sale proceeds from the **fund managers**. We pay the sale proceeds as one amount once we receive them all.

Closing your bond

18. Closure by you

- 18.1** You can close your **bond** by **instructing** us to pay you a withdrawal of the total value of your **bond**. Once you have given us your **instruction** you cannot cancel it. Once we accept your **instruction**, your **bond** is closed and we cannot reinstate it.
- 18.2** When your **bond** is closed the **death benefit** ceases.

19. Closure by us

- 19.1** We may at our discretion close your **bond** in any of the following circumstances:
- a) your **bond** falls below the minimum **bond** value of £1,000
 - b) you are, or we reasonably suspect you may be, using your **bond** for an illegal purpose
 - c) you are, or we have reason to suspect you may be, acting fraudulently
 - d) you exhibit threatening, abusive or violent behaviour towards our employees, either face-to-face, over the phone or in correspondence
 - e) we reasonably believe you have applied for the **bond** using falsified information or documents
 - f) you repeatedly fail to provide us with reasonable information or documents enabling us to comply with our legal and regulatory obligations
 - g) we reasonably conclude that by continuing to keep the **bond** in force, we may break a law, regulation or Court Order and where such consequence could lead to action against us or to our criminal prosecution
 - h) if we consider that you have materially breached this **agreement** or abused the services we provide to you.
- 19.2** If we close your **bond**, we will:
- a) notify you in advance and your **bond** will close on the date specified in the notice
 - b) pay you a withdrawal of the total value of your **bond** (less any applicable charges) by electronic bank transfer.

20. General closure provisions

- 20.1** When closing your **bond** we will first complete all **instructions** being processed at the time.
- 20.2** At the point of closure we will:
- a) add to the closure proceeds any interest earned on **transactional cash** within your bond but not yet applied; and
 - b) deduct from the closure proceeds any fees and charges (including any **Quilter Interest** deductions), which have accrued to the date of closure but not yet been deducted; and
 - c) deduct from the closure proceeds any debit balance described in term 26.

20.3 After your **bond** is closed, we will pay any income or **rebates** earned but not yet received at the point we made the closure payment. If the total balance under this term is less than £10 we will pay it to our chosen charity.

- Please refer to term 17 for information about how payments will be made.
- Please refer to term 37 for information about what happens if a **fund** is suspended.
- It may take up to five **working days** for us to receive the sale proceeds from the **fund managers**. It may then take a number of days before the money reaches your bank account.
- We will pay the sale proceeds as one amount once we receive them from the **fund managers** for all of the **funds** being sold.

20.4 Closing your **bond** does not affect any existing rights or duties under this **agreement**.

Instructions

21. Sending instructions to us

21.1 All **instructions** in relation to your **bond** must be in a format reasonably acceptable to us and be accompanied by any necessary supporting documents and payment if applicable.

21.2 **Instructions** must be submitted online using our **online Customer Centre** or **adviser extranet** or, if we require paper **instructions** and/or supporting documents, sent to our **postal address**.

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

22. Accepting your instructions

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

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

- a) it does not comply with our requirements outlined in this **agreement**
- 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.

23. Processing instructions

23.1 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)** on your behalf. We will submit that **instruction** by the time indicated in the table.

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

- **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 quilter.com

23.2 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.

23.3 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.

- 23.4 We can only carry out one transaction involving buying or selling **units** at a time, even if the **funds** 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 or your **financial adviser**, it may take a number of **working days** to complete the first transaction and start the second.
- Reference to 'transactions involving buying and selling **units**' includes **instructions** provided by you or on your behalf, for example a single withdrawal or **switch**. It also includes automated instructions triggered by us, for example **reinvestment** of income covered under term 13 or selling **units** to pay charges as described under term 25.
- 23.5 Where we receive an unusually large number of **instructions** in a **working day** we may not be able to start carrying out your **instruction** for up to three **working days** after we accept it.
- 23.6 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 is only likely to happen if, for example, no accurate **unit** price is available from the **fund manager** or there has been a significant change to the **fund**.
- 23.7 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**.
- 23.8 If you request a single withdrawal or if your **bond** is closed, we will pay the sale proceeds as a single payment to you once we have received them from all of the **fund managers** for all of the **funds** being sold.
- 23.9 We will not carry out **instructions** if before we start to do so:
- a) we are notified of the death of the sole or last surviving **bond holder**
 - b) your **bond** is closed.
- 23.10 In some circumstances we may not process an **instruction** immediately. In these circumstances, we do not have to give you a reason for any delay.
- 23.11 If you **instruct** us to invest in more than one **fund** (including a **model portfolio** or **Managed Portfolio**), the percentage you want to invest in each can be stated up to a maximum of two decimal places. If the percentage amount for any **fund** (including a **model portfolio** or **Managed Portfolio**) is shown to more than two decimal places, we will round the percentage of each to the nearest two decimal places. If the total then doesn't equal 100% we will increase or decrease the percentage amount invested in one of the **funds** (including **model portfolios** and **Managed Portfolio**) shown in your **instruction** so that the total equals 100%.
- 23.12 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 **bond**, and
 - b) to notify us of any discrepancies within 30 calendar days of your receipt of confirmation of the change.

Charges

All charges described in terms 24 to 32 are exclusive of VAT.

24. Product charge

- 24.1 You will pay a Product Charge on your **bond**. This is an annual charge which is calculated daily but deducted monthly in arrears. The Product Charge covers the cost of holding or administering your **bond** and carrying out your instructions by arranging the sale and purchase of **funds**.
- 24.2 The Product Charge is calculated as follows:

Step 1. We use the total value of investments you have with Quilter, including any **transactional cash** or **cash** held within them and any **linked accounts**, to determine the applicable Product Charge percentage across all your Quilter investments, based on our tiered charging table.

Quilter provides you with access to an ISA, a Junior ISA, a Collective Investment Account, a Collective Retirement Account and a Collective Investment Bond. In addition we distribute CashHub powered by Bondsmith a marketplace of savings accounts.

Step 2. The value of this **bond** (less any **transactional cash** balance) is then multiplied by the percentage Product Charge determined in step 1. This means that you do not pay a Product Charge on the **transactional cash** balance within your **bond**. This includes **transactional cash** within a **model portfolio** and/or **Managed Portfolio**.

- Details of the tiered charging table that applied to your **bond** at inception can be found in your personalised Key Features Illustration and the accompanying Costs and Charges Statement. In line with term 38.1, our charges may change from those shown at inception. Where this applies the document 'Making the cost of investment clear', which is available on request or from your **financial adviser**, confirms the current tiered charging table and explains the charge in detail.
- Our current tiered charging table can also be found on our website quilter.com/investment-fees-and-charges.

- 24.3 The daily charge is calculated as 1/365.25 of the annual Product Charge calculated above. We use 365.25 instead of 365 to account for leap years. The monthly charge will be the sum of the daily calculations in the previous month.

Therefore, if the total value of your accounts, **bonds** and/or **linked accounts** changes in future as a result of market movements, withdrawals, or additional investments, the Product Charge will vary accordingly.

- 24.4 The Product Charge is calculated daily and deducted on the relevant **bond charge date**. If we are unable to deduct the charge on the **bond charge date**, due to other transactions in progress on the **bond**, we will deduct it on the first **working day** after the other transactions are complete.

25. How we deduct the Product Charge

- 25.1 The Product Charge is taken by using **transactional cash** held within your **bond**. If there is insufficient **transactional cash**, we will meet the shortfall by selling **units** from all of your **funds** (including **model portfolios** and **Managed Portfolios**) proportionally (subject to term 26), based on the value of your **bond** at the time of sale.

- 25.2 If a **fund** has been suspended we will calculate the Product Charge based on the value of all relevant **funds** (including the suspended **fund**, provided the **fund manager** has made an indicative price available) and **transactional cash** in your **bond**. However, where there is a shortfall of **transactional cash** within your **bond**, we will sell **units** from the active **funds** only. If the only **fund** within your **bond** is suspended we will accrue the Product Charge during the period of the suspension. Once the suspension is removed, any charge accrued will be deducted in line with term 25.1.

- 25.3 If any transactions involving selling **units** in any **funds** are being processed on the **bond charge date**, we will not sell **units** to pay the 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 Product Charge.

We will also adopt the process described under terms 25.1 to 25.3 to meet fees for your **financial adviser** or a **discretionary management portfolio fee** for your **DIM** (covered under terms 44 and 45).

- 25.4 Where we sell **units** to meet the Product Charge and fees for your **financial adviser** or a **discretionary management portfolio fee** for your **DIM**, we sell six times the value of the Product Charge and/or fees subject to a minimum value of £25 and a maximum of 0.75% of your **bond** value. We will place the residual amount in **transactional cash** within your **bond**. This provides sufficient **transactional cash** to meet future Product Charge and/or fees without needing to sell further **units** from **funds** 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.

26. Treasured funds

- 26.1 As described in term 25, charges and fees will be met by using **transactional cash** within your **bond**. If there is insufficient **transactional cash** at the time a payment is due, **units** will be sold to meet the shortfall.

- 26.2 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 the value of your **bond** at the time of sale.

- 26.3 Where there is insufficient **transactional cash** at the time a payment is due and you are only invested in **treasured funds** or your other **funds** which are not treasured are currently suspended, the charge or fee due will be held as a debit value.

- 26.4 You, your **financial adviser** or your **DIM** have 30 days from the date the charge is due to provide us with new **instructions** in order to clear the debit balance. If any of the debit balance remains outstanding after the 30-day notice period we will sell **units** from all of your **funds** proportionally, including the **treasured funds**, based on the value of your **bond** at the time of sale.

27. Family Linking

- 27.1 Family Linking is a multi-family member discount which can help reduce the Product Charge described in term 24. This is achieved by including the value of any **linked accounts** with the value of your investments when the tiered Product Charge percentage is calculated.

- 27.2 Eligible family members must have the same **financial adviser** as you and must meet the criteria outlined on the Family Linking request form.

Our current Family Linking form, which confirms family members who can be linked, can be obtained from your **financial adviser** or by visiting our website [quilter.com](https://www.quilter.com)

- 27.3 We may ask you for evidence to support eligibility criteria for **linked accounts** and/or carry out any checks deemed necessary for this purpose.

- 27.4 We are able to reject a Family Linking request or remove **linked accounts** at any time without notice, if we become aware that the **linked accounts** are ineligible.

27.5 We can change the terms of Family Linking for example, changing eligibility criteria of family members and investment types as well as removing it completely. If the changes operate to your disadvantage we will give you at least 30 days' notice of the change in line with term 38.

28. Managed Portfolio Service Charge

28.1 Where you choose the **Managed Portfolio Service** we will deduct a **Managed Portfolio Service Charge** on a monthly basis from your **bond**. The charge is expressed as a percentage of the investment held within the **Managed Portfolio Service**. Depending on the **Managed Portfolio** chosen the charge may differ. Your **financial adviser** will confirm the percentage applicable.

28.2 The **Managed Portfolio Service Charge** will be calculated daily from the date you choose the **Managed Portfolio Service**. The daily charges will then be added together and deducted from your **bond** on the **bond charge date**.

28.3 If we are unable to deduct the charge, due to other transactions in progress on the **bond**, we will deduct it on the first **working day** after the other transactions are complete. We will meet the charge by using **transactional cash** held or where there is insufficient **transactional cash** by deducting **units** proportionally from all the **funds** (including **model portfolios** and **Managed Portfolios**) in your **bond** to meet the shortfall in line with term 25.

28.4 If we receive instructions to end the **Managed Portfolio Service**, or any event under term 53.2 occurs, we will stop any further **Managed Portfolio Service Charge** accruing. Any daily charge accrued to this point will be deducted on the next **bond charge date**.

29. Life fund tax charge

29.1 We are taxed by HMRC on gains and taxable income arising on life fund investments made on behalf of **bond holders** each year. We therefore make a charge against each **bond** investing in those life **funds** to cover the estimated tax liability. The charge is calculated based on the income and gains arising from transactions carried out within your **bond**. This charge is identified on your regular **statement** as 'Life fund tax'.

29.2 This charge is calculated annually and whenever a **fund** is sold as follows:

- a) If a charge results from gains made on **funds** sold as part of a **switch**, single and/or regular withdrawal or to cover fees and charges, the charge is taken from **transactional cash**. If there is insufficient **transactional cash** then any shortfall will be met by selling **units** proportionally across the **funds** remaining in your **bond** at the time the charge is deducted. This charge is collected on the **bond charge date** following the sale (or, depending on the timing of the sale itself, the **bond charge date** after that).
- b) If a charge results from the sale of one or more **life policies** within your **bond**, the charge is taken proportionally across the remaining **life policies** within your **bond** at the time the charge is deducted. This charge is collected on the **bond charge date** following the sale (or, depending on the timing of the sale itself, the **bond charge date** after that).
- c) The annual charge is calculated on 31 December each year as a deemed disposal, and, if a charge arises, it is deducted from **transactional cash**. If there is insufficient **transactional cash** then any shortfall will be met by selling **units** proportionally across all the **funds** held within your **bond**. This charge is collected on or around 2 January of the following year.
- d) In addition to the annual charge and the charge imposed following the sale of a **fund** described above, a charge is taken when income arises on the **funds** within your **bond**.
 - i) When income is received (including rebates) the gross receipt is added to your **bond**. From this a separate life fund tax charge is deducted.
 - ii) Where income is retained within the **fund** by the **fund manager** (known as accumulation units) no **cash** payment is received. The life fund tax charge for this income is therefore collected on the **bond charge date** following the income payment date.

29.3 Where there is a loss or deemed loss on a **fund**, these losses are carried forward and are available to reduce the charges described under term 29.2 subject to some limitations.

29.4 Where you close your **bond** and losses carried forward remain, these losses are retained by Quilter. We will calculate whether you are due an adjustment to the **transactional cash** value of your **bond** to reflect the potential benefit Quilter receives from retaining the losses. The perceived benefit to Quilter could be negligible and therefore no adjustment would be made.

30. Capital protected death benefit charge

30.1 If you have selected capital protected **death benefit** a proportion of the charge applies for each day the value of the capital protected death benefit is more than 100.1% of the value of your **bond** where the start date is 25 November 2024 or later, or 101% of the value of your **bond** where the start date is on or before 24 November 2024. If your **bond** started before 21 December 2012 the amount of the charge is based on factors including your gender, whereas bonds starting after this date will have the charge based on gender neutral rates.

This difference in the way this charge is calculated is as a result of the EU Gender Directive.

30.2 The charge is calculated daily and deducted in the same way as the Product Charge as described in term 25. The deduction of the charge will be made proportionally across all the **life policies** in your **bond**. If the charge exceeds the value of your **bond**, the capital protected death benefit will cease immediately.

31. CHAPS charge

31.1 If you request payment of a withdrawal by **CHAPS**, we will deduct a **CHAPS** charge of £23.00 from your **bond** in addition to your withdrawal. If you request a closure, we will deduct the **CHAPS** charge from the closure proceeds before we pay you.

32. Additional charges

32.1 We may agree with you to make an additional charge to cover any administration costs we incur in providing any additional services you request (and we agree to provide) that are not included in this **agreement**.

Ownership of your bond

33. Joint bonds

33.1 Your **bond** may be held jointly with another person. Where we require written **instructions** in respect of joint **bonds** they must be signed by both **bond holders** subject to term 34.

33.2 Joint **bonds** will be held on a joint tenancy basis. This means that when one **bond holder** dies, the surviving **bond holder(s)** will own the **bond**.

33.3 If your **bond** is held jointly, on the death of the first joint **bond holder** we will provide the surviving **bond holder** with a new reference number for the **bond**. The new reference does not constitute a new **bond**, this **agreement** continues to apply with no changes.

33.4 Where we allocate a new **bond** reference number following the death of a joint **bond holder** charges and fees accrued to that point will be deducted prior to the new reference number being allocated.

34. Bonds held on trust

34.1 Where you hold the **bond** on trust you confirm that all **instructions** will be in accordance with the express terms of the trust deed and relevant law.

34.2 **Instructions** in respect of **bonds** held on trust must be made by all the trustees. Where we require written **instructions** in respect of **bonds** held on trust, they must be signed by all of the trustees subject to term 35.

34.3 You must notify us if you make any changes to the trustees and provide us with any evidence we reasonably request.

Please refer to term 17 for more information about payments from joint **bonds** and trusts.

35. Appointment of a lead bond holder

Appointment of a lead bond holder or lead trustee by an individual(s) or trustees

35.1 If there is more than one **bond holder** you may select one to be the **lead bond holder** in order for **instructions** to be carried out either through the **online Customer Centre** or if you are using a different form of communication which is acceptable to us. We may also refer to the person nominated as the lead account holder. Where we do, this has the same meaning as this term 35.

35.2 Each **bond holder** must agree to select the same **lead bond holder**. If each **bond holder** cannot agree then you will not be able to appoint a **lead bond holder**.

35.3 By selecting a **lead bond holder** you agree and authorise the **lead bond holder** to provide us with **instructions** to carry out transactions on behalf of all the **bond holders**.

35.4 By selecting a **lead bond holder**, where the application is made by trustees, the trustees confirm that the provisions of the trust allow delegation of authority to one trustee to act on behalf of all trustees.

35.5 Each **bond holder** will have to sign an **online Customer Centre** agreement. The appointed **lead bond holder** will be able to access their account to view their **bond** and carry out **instructions** individually through the **online Customer Centre**. A **bond holder** will not be able to carry out **instructions** unless they are the **lead bond holder**.

Some **instructions** cannot be provided by the **lead bond holder** alone including, but not limited to, the following:

- a) **instructions** to withdraw money from or assign the **bond**.
- b) **instructions** to change details on a trust, for example the retirement or removal of a trustee.

Appointment of a lead bond holder by a corporate entity

35.6 If you are registering for the **online Customer Centre** on behalf of a corporate entity, including, for example, a trust company, then you will be known as the **lead bond holder**.

35.7 You confirm that you have the appropriate authority to act on behalf of the corporate entity. For example, that there has been a Board resolution confirming that you have sole authority to act on behalf of the corporate entity.

Changes to the lead bond holder

- 35.8** You may request to change the **lead bond holder** at any time.
- 35.9** You must inform us of any change. If you do not inform us of the change then we will continue to act on the **instruction** of the **lead bond holder**.
- 35.10** All **bond holders** must agree on the appointment of a replacement **lead bond holder**, as explained in term 35.2.
- 35.11** The **lead bond holder** will stop being a **lead bond holder** when:
- that person dies; or
 - there is a request by a **bond holder** to remove the authority from that person to be a **lead bond holder**. For example, where the **lead bond holder** ceases to be a trustee of the trust, for any reason.
- 35.12** We will not accept any further **instructions** through the **online Customer Centre** and we will only accept **instructions** by post signed by all **bond holders** until a replacement has been appointed, as explained in term 35.10.

36. Assignment

- 36.1** If you assign the ownership of your **bond**, you must notify us in writing and provide us with a fully completed deed of assignment.
- 36.2** Where the assignment legally transfers the ownership of all identical **life policies** to a new **bond holder** charges and fees accrued to the date we process the assignment will be deducted prior to the new reference number being allocated.
- 36.3** Where all identical **life policies** are transferred, **adviser fees** and **discretionary management portfolio fees** will cease from the date we process the assignment.

You should speak to your **financial adviser** about the form of assignment you should use.

General

37. Changes to funds and related trading restrictions

Replacement or merger of a fund

- 37.1** **Fund managers** may decide to replace or merge **funds**. If this happens:
- unless you **instruct** us otherwise, if the continuing **fund** is on our Funds List, **units** in the original **fund** will be **switched** to the continuing **fund**
 - unless you **instruct** us otherwise, if the continuing fund is not on our Funds List, then **units** in the original **fund** will be **switched** to the **default cash fund**. Where your **bond** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**
 - any future income from the original **fund** will be held as **transactional cash**. Where your **bond** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.

Trading suspensions

- 37.2** We or **fund managers** may decide to suspend a **fund**. If this happens:
- your **bond** will remain invested in the **fund** but you will not be able to buy or sell **units** in the **fund** while it is suspended
 - if you are receiving regular withdrawals where payments are met by selling **units** from the suspended **fund**, we will raise the withdrawal payment required by selling **units** in the active **funds** only. If your **bond** is solely invested in the suspended **fund** regular withdrawals will be cancelled. If you wish to recommence regular withdrawals after the suspension has been removed, you will need to **instruct** us to do so.
 - while the **fund** is suspended, any future income from the **fund** will be held as **transactional cash**. Where your **bond** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.
 - if you have **instructed** a single withdrawal to be met proportionally from all of your **funds**, we will raise the withdrawal payment required by selling **units** in the active **funds** only. If your **instruction** is to close one or more **life policies**, and therefore selling all of the **funds** in those **life policies**, we will be unable to process your **instruction**. Once the suspension is removed we will require a new **instruction** if you still wish to close one or more **life policies**.
 - if you have **instructed** a single withdrawal to be met by selling one or more specified **funds**, we will raise the withdrawal payment required in line with term 25.
 - if you have **instructed** a single withdrawal and your **bond** is solely invested in the suspended **fund**, we will be unable to process your **instruction**. Once the suspension is removed we will require a new **instruction** if you still require the single

withdrawal

- g) if your **instruction** includes a **fund** which is suspended but we are aware the suspension is to be removed in the near future (within 5 **working days**), we may defer carrying out your **instruction** until the suspension is removed
- h) **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 be held as **transactional cash** until we are provided with alternative **instructions**.
- i) if we are closing your **bond** as described in term 19, we may offer to pay the closure value in one or more instalments. The first instalment will be for the value of the active **funds** (if any) only, and a further instalment or instalments will be made when the remaining **funds** have been sold following the suspension being lifted. We may also offer this option where you **instruct** us to close your **bond** as described in term 18.

Closure or removal of a fund

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

- a) unless you give an alternative **switch instruction**, any **units** in the **fund** will be sold and the proceeds held as **transactional cash**.
- b) any remaining income from the **fund** will be held as **transactional cash**. Where your **bond** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.
- c) 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.

37.4 We or **fund managers** may decide to close a **fund** to new business only. If this happens:

- a) unless you **instruct** us otherwise, you will remain invested in the **fund**, and **units** in the **fund** can be sold
- b) any future income from the **fund** will continue to be **reinvested** in the **fund**
- c) you cannot make a top-up lump-sum investment into that **fund**.

37.5 We or **fund managers** may decide to close a **fund** to all purchases. If this happens then:

- a) unless you **instruct** us otherwise, you will remain invested in the **fund**, and **units** in the **fund** can be sold
- b) any future income from the **fund** will be held as **transactional cash**. Where your **bond** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.

Other restrictions

37.6 If there are any other changes to a **fund** which affect the **units** you hold and any purchases or sales in the **fund**, we will advise you of any impacts to your **bond** when we notify you of the change.

37.7 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 can't, for example where we are not given notice of the change.

37.8 Where the affected **fund** is part of a **DIM model portfolio** we will notify the **DIM** of the changes rather than you.

37.9 We will only notify you of significant changes to **funds** in which you hold **units** and which could operate to your disadvantage.

38. Changes to this agreement

38.1 We can change the terms of this **agreement** at any time if the changes are to:

- a) help us administer your **bond** more effectively
- b) take into account changes to our operating costs
- c) withdraw or vary any facility or option under your **bond**
- d) introduce new facilities or options to your **bond**
- e) vary the minimum investment, minimum **bond** value and minimum withdrawal amounts
- f) make changes to the **funds** on the Funds List or make new types of investments available
- g) vary the charges that apply to your **bond**
- h) correct any errors or make the terms easier to understand
- i) take into account any change in law or the practice of any regulatory authorities that affects your **bond**.

38.2 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.

38.3 If we make any change to your **bond**, you may **instruct** us to close it at no additional cost (although we will deduct all outstanding charges).

39. Statements

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

39.2 You can ask us to send you a **statement** outside of the dates determined by term 39.1 by sending us your request in accordance with term 21.

39.3 You can also access your **bond** value more often online. For more details, please refer to term 41, **online Customer Centre**.

40. Valuing your bond and your funds

40.1 When we value your **bond** or any **funds** we will use the latest available **bid value** of the **units**.

40.2 When we value your **bond** for calculating fees, charges and **rebates** to be paid, the value will not include **rebates** or income earned but not yet credited to your **bond**.

41. Online Customer Centre

41.1 If you would like to manage your **bond** online using our **online Customer Centre**, you must agree to our online service agreement for Quilter's **online Customer Centre**, which you can find on our website.

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

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

41.3 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).

41.4 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.

41.5 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.

42. Your financial adviser

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

42.2 Where we accept **instructions** from your **financial adviser** acting as your agent, we will treat the **instructions** as if they are direct from you.

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

42.4 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.

42.5 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 as your agent.

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

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

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

42.9 Your **bond** may be invested in a **fund** that is not shown on our Funds List but is made available to you because of your relationship with your **financial adviser**. If you change your **financial adviser**, such **funds** may have trading restrictions imposed on them. You will remain invested in the **fund(s)**, and **units** in the **fund(s)** can be sold. However, you will not be able to make top-up investments into the **fund(s)** and any future income from the **fund(s)** will be held as **transactional cash**.

43. Your discretionary investment manager (DIM)

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

43.2 Your **financial adviser** can request the appointment of one or more **DIMs** on your **bond**. 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**.

43.3 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.

43.4 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 **bond** is switched out of the **model portfolio**
- b) we receive **instructions** from you or your **financial adviser** that you, or your **financial adviser** have 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 **bond**
- d) we terminate our terms of business with your **financial adviser** firm
- e) you close your **bond**
- f) on the death of all **bond 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
 - ii) is under investigation by, or has been the subject of disciplinary action by, a regulatory authority
 - iii) has carried out or is carrying out activities in a manner which could prejudice or be harmful to our reputation
 - 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 **bond** will no longer be invested in the **model portfolio** but will remain invested within the underlying **funds** which formed the **model portfolio** until we receive alternative **instructions**.

43.5 Your **bond** may be invested in a **fund** that is not shown on our Funds List but is made available to you because of your relationship with the **DIM**. If your **bond** ceases to be invested in the **model portfolio**, any such funds may have trading restrictions imposed on them. You will remain invested in the **fund(s)**, and units in the **fund(s)** can be sold. However, you will not be able to make top-up investments into the **fund(s)** and any future income from the **fund(s)** will be held as **transactional cash**.

43.6 When the appointment of the **DIM** ends as explained in term 43.4 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 **bond**.

44. Adviser charging

44.1 Under **Adviser Charging**, we can pay fees to your **financial adviser** on your behalf by deducting them from your investment.

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

- Your annual 5% tax deferred allowance is based on your initial investment which is the amount invested after the adviser initial fee has been deducted.

All other **adviser fees** and **discretionary management portfolio fees** are taken as withdrawals from your **bond** and will utilise some of your 5% tax deferred allowance. Your **financial adviser** will be able to explain this to you.

44.2 We can facilitate the payment of the following types of **adviser fee**:

a) Adviser initial fee

This fee is deducted at the same time as an investment is made into your **bond**. 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 money we receive from you, before the investment is made into your **bond**.

b) Adviser ongoing servicing fee

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

The fee is calculated daily then deducted monthly, quarterly, half yearly or yearly, as follows:

- for fees of a specific amount of money, the daily fee is the annual amount divided by 365.25. The fee deducted at the end of each selected period is the sum of the daily calculations for the period.
- for fees agreed as a percentage, the daily fees will then be added together and deducted at the end of each selected period.

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

We will meet the fee by using **transactional cash** held or where there is insufficient **transactional cash** by deducting **units** to meet the shortfall in line with terms 25 and 26.

c) 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 **transactional cash**. If there is insufficient **transactional cash**, we will meet the shortfall by selling **units** in line with terms 25 and 26.

44.3 All **adviser fees** are assumed to include VAT if applicable.

44.4 You can amend an **instruction** for the adviser ongoing servicing fee by giving us at least 10 **working days'** notice.

44.5 You cannot cancel an **adviser fee** once it has been deducted.

44.6 If you change your **financial adviser**, we can pay **adviser fees** to your new **financial adviser** on your behalf, following confirmation of your authorisation.

44.7 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 we have agreed with them.

45. Discretionary management portfolio fee

45.1 The fee is expressed as a percentage of the investment held within the **model portfolio**. We can pay fees to your **DIM** on your behalf by deducting them from your **bond**. You can agree an annual fee with your **DIM** for ongoing services in relation to your **model portfolio**.

45.2 The **discretionary management portfolio fee** will be calculated daily from the date authorised. The daily fees will then be added together and deducted from your **bond** on the first **working day** of each month due.

45.3 If we are unable to deduct the fee, due to other transactions in progress on the **bond**, we will deduct it on the first **working day** after the other transactions are complete. We will meet the fee from **transactional cash**. If there is insufficient **transactional cash**, any shortfall will be met by deducting units proportionally from all the **funds** in your **bond** in line with terms 25 and 26.

45.4 If we receive **instructions** to end the appointment of a **DIM**, or we cease to act on the **instructions** of the **DIM**, we will stop any **discretionary management portfolio fees** to the **DIM** on your behalf, as outlined in term 43.

46. Our liability

46.1 We will exercise due care and diligence in the management of your **bond**. 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 **bond**
- b) our acts or omissions or those of any third party outside the **Quilter plc group of companies** (for example, a **fund manager**).

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

46.3 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 this **agreement**. 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
- i) any other cause beyond our reasonable control as a consequence of which we can no longer administer your **bond** 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.

46.4 Where, during the management of your **bond**, we are found to be responsible for a loss (or gain) on your **bond** we will look to put your **bond** into the correct position unless the amount is considered negligible (£5 and under).

47. Amounts you owe us

47.1 We can deduct from the value of your **bond** any amount you owe us or any other **Quilter plc group company**. 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 group company**, any amount you owe us under this **agreement**. We will write to notify you before we do this.

48. Correspondence

48.1 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, email address, residential address or residency status for tax purposes. Any change which could impact your residency status must be notified to us within 30 days.

48.2 We will issue and display all documents and correspondence relating to your **bond** via your document library in the **online Customer Centre**, except where we are obliged by regulation to issue by post. We will notify you by email whenever a new document is available in your document library. Where we have sent you an email, any new documents shall be treated as having been received by you, whether or not they are actually received by you or seen by you.

48.3 We will use the most recent contact details you have provided to us to communicate with you. If you change your email address, you must immediately advise us of your new email address. In the absence of such information, we will continue to notify you when new documents are available using the email address you last supplied to us. Where you have a joint **bond** (including a **bond** owned by trustees or corporate entities) we will notify each of you by email when new documents are available. Where we do not hold an email address for all **bond holders**, new documents shall be treated as having been received following notification to the **bond holder(s)** who have supplied an email.

48.4 Any correspondence we send to you through your document library will be valid, and treated as though you had received it at the time we send the email notification described under term 48.2.

48.5 Where we issue documents by post, we will meet this requirement if we send them to the address that you last provided 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.

48.6 Where you have a joint **account** and both you and the joint **account holder** live at the same address, we will send any documents described under term 48.5 to this address. Where you live at different addresses we will send two copies of every document and send to both.

49. Miscellaneous

49.1 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**.

- 49.2 We do not give any advice regarding **funds**, your **bond** or any **instruction**. The availability of a particular **fund** does not imply that it is suitable for you.
- 49.3 The services we provide do not include a review of your **funds**.
- 49.4 For regulatory purposes, we will treat you as a retail client. Retail clients receive the greatest level of regulatory protection.
- 49.5 It may be necessary to suspend dealing in **funds** within your **bond** in the event of exceptional circumstances that are outside our control.
- 49.6 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.
- 49.7 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.

- 49.8 Any interest earned on uninvested amounts held in our bank account will be retained and will not be payable to you.
- 49.9 This **agreement** is between you and us. No other person shall have any rights to enforce any of its terms.
- 49.10 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.
- 49.11 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.
- 49.12 This **agreement** and any subsequent communications will be in English.
- 49.13 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 customers. For example a reasonable per head / per event value for business meals is generally no greater than a benefit of £30 and subject to approval controls. Further information is available upon request.

50. Complaints

- 50.1 Our complaints procedure is available on request. Making a complaint will not prejudice your right to take legal proceedings.
- 50.2 You can make a complaint by contacting us at our **postal address** or by telephoning 0808 171 2626 or by emailing complaints@quilter.com.
- 50.3 If you are not satisfied with the way the complaint is dealt with, you can refer it to:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
Telephone: 0800 023 4567

www.financial-ombudsman.org.uk

51. Compensation

- 51.1 We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation if we cannot meet our liabilities to you in relation to your **bond**. This depends on the type of business and the circumstances of the claim, and is subject to a maximum limit of 100% of the bid value of your **bond** for all claims against us.
- 51.2 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

www.fscs.org.uk

52. Appointment and Terms and Conditions of our Managed Portfolio Service

- 52.1 Provided you have a **financial adviser** appointed in respect of your **bond**, you can choose to appoint us to provide a discretionary fund management service for your **bond** 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 explained in term 52.3 so that we can then manage the selected **Managed Portfolio**.
- 52.2 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.
- 52.3 Your **financial adviser**, on your behalf, must tell us which of our **Managed Portfolios** 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 **bond**.
- 52.4 We are not responsible for obtaining information about you as we will rely on the suitability assessment performed by your **financial adviser**. Your **financial adviser** will review the 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.
- 52.5 If you choose to use the **Managed Portfolio Service**, your **financial adviser** will request investment into the **Managed Portfolio Service** for your **bond** 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.
- 52.6 We will assume that by requesting this **Managed Portfolio Service** on your behalf, your **financial adviser** has explained the risks involved in transactions undertaken for, and the management of, the **bond** according to the relevant **Managed Portfolio** and that 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**, investing in **Managed Portfolios** and investing in **funds** generally are as set out in the **Managed Portfolio** factsheets.
- 52.7 Once your **bond** is invested in the **Managed Portfolio Service**, we, as portfolio manager, will then manage the **funds** contained in the selected **Managed Portfolio** on your behalf based on the investment mandate for the selected **Managed Portfolio** described in the relevant **Managed Portfolio** factsheet.
- 52.8 Subject to the **Managed Portfolio Service** 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 **bond** (including circumstances covered in term 29).
- 52.9 In making decisions and exercising any discretion given to us under these **Managed Portfolio Service** terms (terms 52 and 53), we will act properly and with due regard to the need to treat you and our other **bond holders** fairly.
- 52.10 We will not breach and have not breached the investment objectives and restrictions for the **Managed Portfolio** chosen, 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.
- 52.11 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**.
- 52.12 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.
- 52.13 In implementing decisions made on a discretionary basis for your **bond**, 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 **bond** are carried out, as detailed in term 54.
- 52.14 We will not be required to provide confirmations for the execution of individual **fund switches** carried out in relation to your **bond** as part of the **Managed Portfolio Service**.
- 52.15 A **Managed Portfolio Service Charge** will apply as described in term 28.

Conflicts of interest

- 52.16** 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.
- 52.17** 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**.
- 52.18** 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 2 of these terms.

Outsourcing

- 52.19** We may delegate our services under this term to Quilter Investors Limited or other third parties (including other **Quilter plc group of companies**). We may also provide information about you and your **bond** 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.

53. Conditions and restrictions to your agreement if you use the Managed Portfolio Service

- 53.1** While the **Managed Portfolio Service** applies to your **bond** payment of regular withdrawals and single 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**.
- 53.2** Where a **Managed Portfolio** has a negative **transactional cash** balance, for example where the price of a buy transaction is found to be incorrect, we will clear the negative balance by selling **units** in the least volatile **fund** based on past performance

Where we do this, we will sell the greater of £10 or the amount required to clear the negative balance.

When selecting the least volatile **fund**, we use a set formula and consider data over a 5-year period, where available. The formula used is available should you request it.

- 53.3** 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 52 to 53) will no longer apply:
- If you no longer have an appointed **financial adviser** who you use to advise on your **bond**;
 - If you (or your **financial adviser** on your behalf) **instruct** us to terminate the **Managed Portfolio Service** for your **bond**;
 - 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; it is no longer economically viable to provide this service, or other circumstances arise that are beyond our control. We will communicate the withdrawal of the **Managed Portfolio Service** to **Managed Portfolio bond 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, 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;
 - If we decide to close the selected **Managed Portfolio** for your bond and we do not receive **instructions** to invest in an alternative **Managed Portfolio** prior to closure date;
 - If you or your **financial adviser** request a **fund switch instruction** for all the **funds** currently in the selected **Managed Portfolio** for your **bond**;
 - If the **bond holder** who chose to use the **Managed Portfolio Service** changes. For example, due to an assignment of the **bond** in accordance with term 36 to another person or into trust. The new **bond holder** may choose to use the **Managed Portfolio Service** in accordance with term 52 and these **Managed Portfolio** (terms 52 and 53) will then apply to them);
 - If we receive notification of your death (or that of the last surviving **bond holder** where there is more than one). If the **bond** continues after death, for example where you are not the **life assured**, the new **bond holder** may choose to use the **Managed Portfolio Service** in accordance with term 52 and these **Managed Portfolio** (terms 52 and 53) will then apply to them;
 - If your **bond** closes;
 - If we terminate our terms of business with your **financial adviser** or otherwise cease to act on their instructions.

This could be because we become aware that your **financial adviser**:

 - has been refused membership by, or has been expelled from, a professional organisation
 - is under investigation by, or has been the subject of disciplinary action by, a regulatory authority

- iii) has carried out or is carrying out activities in a manner which could prejudice or be harmful to our reputation
- 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.

- 53.4** Where term 53.2 applies, the **Managed Portfolio Service** will no longer apply to your **bond**, but your **bond** will remain invested within the underlying **funds** comprised within the **Managed Portfolio** at the time the service was terminated, until we receive alternative **instructions**.
- 53.5** Your **bond** may be invested in a **fund** that is not shown on our Funds List but made available to you because of the **Managed Portfolio Service**. If your **bond** ceases to be invested in the **Managed Portfolio Service**, any such **funds** may have trading restrictions imposed on them. **Units** in the **fund(s)** can be sold however, you will not be able to make top-up investments into the **fund(s)** and any future income from the **fund(s)** will be held as **transactional cash**.
- 53.6** When the **Managed Portfolio Service** terminates, we will make a final proportional **Managed Portfolio Service Charge**. This will cover the period from the last payment date up to the date the **Managed Portfolio Service** is terminated.

54. Order execution policy

- 54.1** Under the **FCA** rules, we have an obligation to take all reasonable steps, when processing **instructions** to obtain, the best possible result for our **bond holders** taking into account all relevant considerations. The **FCA** calls these the execution factors. We must have an 'Order Execution Policy' in place to meet this regulatory obligation. This term 54 satisfies that requirement.
- 54.2** We will execute **instructions** by sending dealing **instructions** to the operator of each relevant **fund**, or its agent, to carry out. 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.
- 54.3** 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** were to arise, we reserve the right to consider using that alternative execution venue if it would result in a better outcome for you.
- 54.4** We only trade once each **working day** in **funds** that price once each **working day**. The timescales for processing **instructions** are specified in term 23.
- 54.5** 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.

quilter.com

Please be aware that calls and electronic communications may be recorded for monitoring, regulatory and training purposes and records are available for at least five years.

Quilter is the trading name of Quilter Investment Platform Limited which provides an Individual Savings Account (ISA), Junior ISA (JISA) and Collective Investment Account (CIA) and Quilter Life & Pensions Limited which provides a Collective Retirement Account (CRA) and Collective Investment Bond (CIB).

Quilter Investment Platform Limited and Quilter Life & Pensions Limited are registered in England and Wales under numbers 1680071 and 4163431 respectively.

Registered Office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom. Quilter Investment Platform Limited is authorised and regulated by the Financial Conduct Authority. Quilter Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Their Financial Services register numbers are 165359 and 207977 respectively. VAT number 386 1301 59.

QIP14696/143/13184/April 2026