Terms and Conditions

for the Collective Retirement Account

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

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

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

References to "we", "us" or "ourselves" in these terms are references to Quilter Life & Pensions Limited of Senator House, 85 Queen Victoria Street, London, EC4V 4AB, as scheme administrator.

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

Terms that appear in **bold** are explained in the Glossary.

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

- the **Charges guide**
- the **Account eligibility and requirements guide**.

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

- the **Key Features Document**
- the Funds List.
- the key information documents for your chosen **assets**
- the Costs and Charges document

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

Contents

Opening an account

1. Eligibility

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

2. Application

2.1 To open or top-up an **account**, our current application form must be completed and sent to us. This must be sent **online** by your **financial adviser** using our **adviser extranet**, unless we allow it in any other format such as a paper application.

2.2 Your application must be accompanied by valid payment of your investment in pounds sterling. Valid payment methods are: a cheque, electronic bank transfer or a Direct Debit instruction.

> See sections 21, 22 and 23 for more information about the **instructions** we accept. Please be aware that if you are sending payment for more than one application you need to send separate payments for each application, rather than sending us a single payment to be split.

2.3 We will not be able to accept your application until we receive proof of your identity and address and any other information we may reasonably need, for example we may ask you to provide evidence of the source of the money for your investment.

2.4 If we accept your application, we will send you an **acknowledgement**. If your application was made online, your **financial adviser** can provide you with details of the information sent to us on your behalf. You should check this information to make sure it is correct and you must tell your **financial adviser** or us if any corrections need to be made. Your **acknowledgement** gives you a form to sign to provide us with a specimen of your signature. If you have signed up to our **online Customer Centre**, you will be able to see your **acknowledgement** in your document library, or your **financial adviser** can give you a copy

2.5 For applications made online, we are also required by **HMRC** to send you an additional document containing the personal information sent to us by your **financial adviser** and the regulatory declaration you made as part of the application. You will therefore receive a separate 'online declaration' direct from us once your **financial adviser** has submitted your application. If any details on the online declaration are incorrect, you must let us know within 30 days of receiving it so that we can make any necessary corrections.

2.6 If your application is an **instruction** to **transfer** from another pension scheme, we will only be able to accept your application when the **transfer** is complete.

> Please refer to section 9.9 for more information about **transferring** into your **account**.

2.7 If your application is unclear or incomplete, or we need more information from you, we will let you or your **financial adviser** know. You must provide the additional information or clarification we ask for. In the meantime we will hold your payment in our bank account. If we have not received the additional information or clarification within ten **working days** we may return the sum paid to us as part of your application.

2.8 We do not have to accept your application or give you a reason if we reject it. If we reject your application, we will refund any payment you have made to us.

2.9 Your **account** start date will be the **working day** on which we accept your application to open an **account**. We will notify you of your **account** start date in our **acknowledgement**. Your **account** start date may be earlier than the date on which we invest your payment.

2.10 If we have been asked to pay an initial fee to your **financial adviser**, we will only do this if we have first received confirmation of your authorisation in the format that we require. If we do not have confirmation of your authorisation to pay the initial fee, the fee will not be paid.

We require a new fee authorisation if:

a) a monetary initial fee is requested

b) the amount of a fee is increased; or

c) a change is made between monetary and percentage fees.

3. Changing your mind

3.1 You have 30 days to cancel your application to **transfer** in or an application to open an **account** starting from the date you receive our **acknowledgement**. You can do this by writing to us at our **postal address** or by communicating in any other form that we reasonably accept.

3.2 Where you have cancelled an application to open a new **account** we will refund any Investor Charge deducted from your **account**. No deduction will be made for any Investor Charge calculated but not yet applied.

3.3 Where you have cancelled an application to **transfer**, the **transferring** scheme may not agree to accept the **transfer** back. If this happens you will need to instruct us to **transfer** to an alternative pension scheme.

3.4 Where you have cancelled an application to **transfer** in or to open a new **account** that has included an **immediate maximum tax-free lump sum instruction**, any tax-free lump sum that has been taken cannot be cancelled or reversed. This means **HMRC** may treat the tax-free lump sum as an unauthorised payment, resulting in tax charges.

3.5 You have a right to change your mind within 30 days from when you receive confirmation of the transaction, when you first choose to **crystallise uncrystallised funds**, or **cash** in order to take a withdrawal from your **account** for the first time using flexi-access drawdown.

Where a tax-free lump sum has been taken as part of the **crystallisation**, it cannot be cancelled or reversed. If you choose to cancel the **crystallisation**, **HMRC** may treat any associated tax-free lump sum as an unauthorised payment, resulting in tax charges.

Similarly, if you purchase an **annuity** and choose to cancel it in line with any applicable cancellation rights, the related tax-free lump sum that we have paid cannot be reversed or cancelled. **HMRC** may treat the tax-free lump sum as an unauthorised payment, resulting in tax charges.

3.6 We cannot repay any fees we have paid to your **financial adviser** if you cancel your application as above. You should speak to your **financial adviser** about whether repayment of **fees** is appropriate in these circumstances. If you cancel an application to **transfer** or open an **account** and the value of your investment has fallen during the cancellation period, you/the transferring scheme will only get back the fallen value of your investment, less any **adviser fees** already paid. If the value of your investment has increased during the cancellation period, you/the transferring scheme will only get back the amount that you invested, less any **adviser fees** already paid and we will keep any increase in the value. If you choose to cancel an application to open an **account** made with regular contributions, we will return the full amount paid less any **adviser fees** already paid regardless of whether the value of your investment has fallen or increased.

3.7 If you have authorised an **adviser fee** but choose to cancel your application before payment of the fee is made you may be liable to pay the outstanding amount directly to your **financial adviser**.

Please refer to the **Charges guide** for information about adviser **fees**.

3.8 If you cancel your application and your investment 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 3.5. Once the suspension has been removed we will send any amount owed subject to term 3.5.

Your account

4. How your account works

4.1 The investments you make into your **account** (less any applicable charges and fees or **immediate maximum tax-free lump sum**) are used to purchase **units** in **funds**, or held as **cash. Cash** will be held within a **pooled bank account** as explained in term 6 below.

4.2 All **uncrystallised assets** in your **account** will be held in one **sub account**. Lump sums, regular investments and **transfers** in of **uncrystallised assets** will be allocated to the **uncrystallised sub account**. **Crystallised assets** in your **account** will be held in a separate **sub account** or **sub accounts**. **Transfers** in of **crystallised** pensions cannot be accepted into the **account.** In order to accept an **instruction** for a **crystallised transfer** your **account** must first be converted to Charge Basis 3 which is subject to separate terms and conditions**.** The first time you **crystallise** within your **account**, we will create a separate **sub account** for the newly **crystallised** money. Any further new **crystallisations** within your **account** will be allocated to this **sub account**.

4.3 Each **sub account** will have its own reference number and holding of **funds**, and **cash**. They will appear separately on the **statements** and correspondence we send you.

4.4 The value of your **account** at any time is equal to the **bid value** of the **units** in **funds**, plus any **cash** that you have chosen (less any applicable charges). However you do not own the **units**, the **funds**, or any underlying assets, which remain our property.

For details of the charges please see the **Charges guide**.

Assets

5. Funds

5.1 You can invest into **funds** from our published Funds List.

5.2 **Funds** may offer a choice of **income units** or **accumulation units**.

5.3 If you do not tell us which **unit** type you want to buy, we will buy **accumulation units**. If **accumulation units** are not available, we will buy **income units**.

5.4 If you select a **fund** which is not available, we will contact you for revised **instructions**.

6. Cash

6.1 You can choose to hold some or all of your investment as **cash. Cash** may also be held within a **model portfolio**, described under term 8.

6.2 **Cleared cash** within your **sub account** may earn interest or have interest deducted (if the interest rate is negative). Interest on **cash** is calculated daily and paid or deducted on the first **working day** of the month, at a rate set by us.

6.3 Interest received by us from the **pooled bank account** is based on the total pooled balance. The amount of interest we receive will vary depending on the total value and the interest rates at the time. Interest paid on **cash** will be allocated in line with term 6.2. We will retain any difference between our published interest rate and the fluctuating rates received by us from the **pooled bank account**.

A negative interest rate means that there is a cost associated with depositing with the banks. Where the rate is negative this will be reflected in the rates set by us.

Details of our external banking partners, current interest rate paid on **cash** and details of the rate we retain are on our website.

quilter.com/investments/platform-funds/fund-research-and-information/interest-rates-on-cash/

Interest rates are updated from time to time.

6.4 Interest earned on **cash** is paid without deduction of tax.

6.5 All money recorded as **cash** under a **sub account** is held within a **pooled bank account** held in the name of the **trustee**.

6.6 The **pooled bank account** will be held with a **UK**-authorised **financial institution** legally able to accept deposits (as listed in the Financial Services Register).

6.7 When we pay **money** into, or out of, the **pooled bank account**, we will record this by crediting or debiting the relevant amount in **cash** within your **sub account** as appropriate.

6.8 We will exercise due skill, care and diligence in selecting the **financial institution** in which to hold the **pooled bank account** but will not be liable for the acts or omissions, insolvency or dissolution of the **financial institution**.

6.9 We may decide to appoint one or more alternative **financial institutions** to hold the **pooled bank account** from time to time where we believe it is reasonable to do so.

6.10 Although we will operate the **pooled bank account**, the **trustee** will also be authorised to open (at our discretion) the **pooled bank account** in accordance with the Trust Deed, the Scheme Rules and its mandate.

7. Reinvestment of income

7.1 If you have invested in **income units** of a **fund**, any income received will be **reinvested** into your **account**. You can choose to:

a) **reinvest** the income into the **fund** from which it was paid, which we will do up to ten **working days** after we receive it, or

b) hold the income as **cash** within your **account**.

If the **fund** is part of a **model portfolio**, and 7.1(a) is chosen by your **financial adviser** or **DIM** then the income will be **reinvested** into the **model portfolio** in line with term 8.4. If the **model portfolio** has been closed by your **financial adviser** or **DIM** then the income will be held as **cash** within your **account**.

7.2 We may **reinvest** income into a **fund** within your **account** 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.

7.3 Where we are unable to invest income into the **fund** from which it was paid it will be held as **cash** within your **account**.

8. Adviser and discretionary managed model portfolios

8.1 Your **financial adviser** and **DIM** may provide **model portfolios** into which you can invest.

8.2 Your **financial adviser** and **DIM** may use any combination of the investments covered in terms 5 and 6 to build these **model portfolios**.

8.3 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.

8.4 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 or **discretionary investment manager** may also choose to rebalance your **model portfolio** regularly. Rebalancing is the process of periodically buying or selling **Funds** in a **model portfolio** to maintain an original desired level of asset allocation.
>
> For details of the charges please see the **Charges guide**.

9. Investing in your account

9.1 You can **instruct** us to invest in your **account** by:

a) making a lump-sum investment

b) making a regular investment

c) **transferring** from an existing pension scheme.

9.2 For lump-sum, regular investments and **cash transfers**, we use your investments (less any applicable charges and **adviser fees**, **immediate maximum tax-free lump sum**) 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. The number of **units** allocated to each **fund** will be determined by dividing the value of the investment allocated to that **fund** by the relevant price of the **units** on the day they are bought.

> For details of our charges please see the **Charges guide**.

9.3 Regular and lump-sum investments from you or a third party will be paid net of basic rate tax but allocated gross. **Employers'** investments are paid on a gross basis.

9.4 If regular investments are paid into your **account**, by you or a third party, these are on a net basis, so if the rate at which we can reclaim tax changes this will result in a change in the amount of money allocated to your **account**.

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

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

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

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

9.7 Lump-sum investments

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

9.8 Regular investments

a) If you want to make regular investments into your **account**, these may be by monthly or annual Direct Debit.

b) We collect regular investments by Direct Debit on any date you choose between the 1st and 28th inclusive.

c) If your chosen collection date does not fall on a **working day**, we will take the payment on the next **working day**.

d) If we receive your Direct Debit **instruction** less than ten **working days** before your chosen collection date, we cannot guarantee that it will take effect from that date.

e) You can cancel or change a Direct Debit **instruction** or **instruct** us to **redirect** a regular investment at any time. If we receive your **instruction** less than ten **working days** before the next Direct Debit collection date, we cannot guarantee that it will take effect from that date.

f) If you change your Direct Debit amount for a regular investment, we will continue to buy **funds**, or **cash** on the current percentage basis unless you **instruct** us otherwise. If you increase the Direct Debit amount and give us new **instructions**, these must relate to the whole of your revised regular investment and not just the change.

Please refer to section 11.2 for information about what happens to regular investments when you **switch funds**.

g) You can **instruct** us to increase your regular investment amount each year by the increase in **average weekly earnings (AWE)** over the previous 12 months, from the date your application was submitted. If you **instruct** us to use the **AWE**, we will adjust your regular investment amount using the final **AWE** rate published in the previous month. If there is a fall in the **AWE**, we will not reduce your regular investment amount. The increase will take effect from the next collection following the anniversary of the Direct Debit being set up.

h) Up to three concurrent regular investments can be made to your **account** at any time. A maximum of 1 **account holder** investment, employer investment and third-party investment can be made at any time. Each investment can have a different collection date and frequency.

9.9 **Transferring** from an existing pension scheme

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

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

9.11 We will accept **transfers** of **uncrystallised** pensions. **Transfers** in of **crystallised** pensions cannot be accepted into the **account**. In order to accept an **instruction** for a **crystallised transfer** your **account** must first be converted to Charge Basis 3 which is subject to separate terms and conditions.

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

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

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

9.15 If you request the **re-registration** of a share class of a **fund** and we offer a different share class which is better value, for example a lower annual management charge (AMC), we will request the **fund manager(s)** of the **fund(s)** to carry out a conversion to the better value share class shortly after the **transfer**.

9.16 If you request the **re-registration** of a **fund** that is not on our funds list, we will carry out a **cash transfer**, which means the **fund** will be sold and the **cash** proceeds will be held in **cash** in your **account** until we receive valid **instructions** to **switch** it into one or more **funds**.

9.17 We might receive income from your previous pension scheme, which was generated by your **funds** before they were **transferred** to us, if this happens, we will act as below.

- If we receive such income as a **cash** payment, it will be held as **cash** within the relevant **sub account**.
- If we receive such income as additional **units**, we will add the extra **units** into the relevant **sub account**.

9.18 When **funds** are **re-registered**, the number of **units re-registered** will usually be the same as previously held but the value may change due to market movements during the **re-registration** process. The number of **units re-registered** may be different if your previous pension scheme has applied a charge prior to the **re-registration** taking place.

9.19 Where a **fund** is being **re-registered** into your **account**, the **re-registration** must be completed before we can process any subsequent **instructions** in relation to that **fund**. We will notify you when the **re-registration** of a **fund** is complete.

10. Phased investment

10.1 You can **instruct** us to **phase** any **cash** you hold, a lump sum or a **cash transfer** into **funds** (including **model portfolios**) in a **sub account**. We will hold your investment as **cash** then **phase** your investment into your chosen **funds** over 3, 6 or 12 months as specified in your **instruction**.

10.2 You can choose the month in which you want the **phasing** to start. We will calculate your first instalment on the first **working day** of that month. However, if we receive your **instruction** less than ten **working days** before the required start date, we cannot guarantee that it will take effect for that month.

10.3 If you do not specify a start month, we will calculate your first instalment on the first **working day** of the month after we receive your **instruction**. However, if we receive your **instruction** less than ten **working days** before the first **working day** of the next month, we cannot guarantee that your **instruction** will take effect for that month.

10.4 We will calculate each **phased investment** instalment by dividing the investment amount by the number of months you specify at the time of giving the **instruction**. If the calculation results in more than two decimal places each instalment will be rounded down to two decimal places. Any excess from this rounding will be held as **cash** within your **account**. Where deductions have been made from **cash** since giving the **instruction** to **phase**, for example to cover fees and charges, the final instalment of your **phased investment** may be less than other months.

10.5 We will liaise with the **fund manager(s)** to transmit your **instructions** to them for each **phased investment** instalment on the first **dealing day** of the month.

10.6 Your **instruction** to **phase** will continue until completed or cancelled. You can cancel an **instruction** to **phase** at any time. However, if we receive your **instruction** less than ten **working days** before the next calculation date, we cannot guarantee that your cancellation will take effect for that month.

10.7 Your **instruction** to **phase** will also be cancelled if:

a) there is no **cash** in the relevant **sub account** when **phasing** is due to occur

b) you **switch** the entire **sub account** (including **cash**) into different **funds** to those selected for your **phased investment**

c) the **model portfolio** selected for your **phased investment** is closed

d) we are notified of your death

10.8 If you instruct us to **crystallise cash** held for **phasing** into **funds**, that **phasing instruction** will not pass over onto the **crystallised sub account**.

Making changes to your account

11. Switching and redirection

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

a) a percentage of your investment in a **fund**, or **cash** (including **model portfolios**); or

b) a specified monetary amount held in a **fund**, or **cash** (including **model portfolios**).

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

- Please refer to the **Account eligibility and requirements guide** for more information about the restrictions on **switching**.
- Please refer to term 24 for what happens if a **fund** is closed or suspended.

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

11.3 If you **instruct** us in writing to **switch** to or from multiple **funds** 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.

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

a) a percentage from **funds**, or **cash** (including **model portfolios**) we will buy the new **units** on the first **dealing day** after all of the sales have been confirmed and we receive confirmation from the **fund managers** of the relevant price for each sold **fund**. It may take up to five **dealing days** to complete your **instruction**

b) a specified monetary amount held in a **fund(s)** or **cash** (including **model 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 section 23 for information about when we process your **instructions**.

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

12. Refunds

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

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

12.3 If there are not enough **uncrystallised funds, or cash** in your **account** to facilitate the refund to **HMRC**, you must contact **HMRC** directly to arrange a refund of the excess tax relief.

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

Taking your retirement benefits

13. Retirement benefits

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

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

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

13.2 Other options may also be available to you depending on your circumstances. These are described in section 17.

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

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

Where **immediate maximum tax-free lump sum** is to be taken from a lump-sum or **transfer** investment, please refer to section 14.5.

14. Tax-free lump sum

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

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

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

14.3 Where you request a one-off payment of a tax-free lump sum we will use available **cash** held in your **uncrystallised sub account** to make the payment to you. Where there is insufficient **cash** available to pay the whole of the tax-free lump sum requested, you can **instruct** us to raise the money to pay your tax-free lump sum in one of the following ways:

a) by selling **units** from **funds,** (including **model portfolios**) and **cash** proportionally, based on their value at the time of sale
b) by selling from specific **funds,** (including **model portfolios**) and **cash**.

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

14.4 Where you **instruct** us to **crystallise** all of your **uncrystallised sub account** (excluding any suspended **funds** if applicable) in order to take a tax-free lump sum and there is not enough available **cash** to pay the whole amount of the tax-free lump sum, we will sell an additional 10% of the **funds** selected with any residual amount being held in **cash** and moved to the **crystallised sub account** to provide for further **income withdrawals.** The calculation of the amount of tax-free lump sum payable will take place up to 3 **working days** after the **funds** or **cash** that are being **crystallised** have been sold.

14.5 You can **instruct** us to pay you a tax-free lump sum from a **transfer** of an **uncrystallised** investment or lump-sum investment that you make into your **account**. After we pay you the tax-free lump sum, we will invest the balance of your investment into a **crystallised sub account** and use it to provide you with **income withdrawal**. This is known as **immediate maximum tax-free lump sum**.

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

14.6 If you take less than the **immediate maximum tax-free lump sum** you are allowed, or have not told us that you want to take an **immediate maximum tax-free lump sum** when you pay in the lump-sum or **transfer** investment, this is treated as a new investment. This means that you will have to pay charges and fees on the full amount of the investment. Also, the amount available for any tax-free lump sum and **income withdrawal** will be the value of **units** and **cash** after the lump-sum payment or **transfer** investment has completed. Any charges that occur before completion of the investment will be deducted in the normal way. The number of **units** and **cash** sold to pay for any tax-free lump sum will be based on the value at the time that you take your **retirement benefit**, and this may be different from the value on the original investment date because of changes in the market value of the **units**.

14.7 Payments of **immediate maximum tax-free lump sum** and any ad hoc one-off tax-free lump sum will be made in pounds sterling by electronic bank transfer using **CHAPS**. No **CHAPS** charge will apply.

14.8 Once a tax-free lump sum has been paid, it cannot be cancelled or returned.

15. Taking income withdrawal

15.1 You can **instruct** us to pay you **income withdrawal** payments from your **account**. There are two types of **income withdrawal**:

a) capped drawdown (only available for account holders who opted for capped drawdown before 6 April 2015)

b) flexi-access drawdown.

15.2 We will raise the money to pay your **income withdrawals** in one of the following ways, as specified in your **instruction**:

a) by selling **units** from **funds**, or **cash** in the relevant **sub account** (including **model portfolios**) proportionally, based on their value at the time of sale. Where the value of **units** makes up 2% or less of the **sub account** value they will be excluded (not applicable to **tax-efficient regular income**); or,

b) by selling from specific **funds**, or **cash** (including **model portfolios**) from the relevant **sub account**.

15.3 You can choose to receive one-off, monthly, quarterly, half yearly or yearly payments.

15.4 We will pay any one-off withdrawals within ten **working days** after receiving everything that we need to make the payment.

15.5 Where required by **HMRC** we will deduct income tax from any **income withdrawals** paid from your **account**.

15.6 We will only make payment to a **UK** bank account in your name.

15.7 Payments will be made in pounds sterling by electronic bank transfer using **BACS.**

15.8 For regular payments of **income withdrawals** we will start the process of selling **units** ten **working days** before the payment date.

15.9 Where you have selected to receive regular withdrawals we will make payment to your bank account on the day of the month between the 1st and 28th nominated by you. Where your chosen payment date is not a **working day** we will pay your regular withdrawals on the last **working da**y before that date. There may be circumstances, such as the proceeds of a **unit** sale being received late, where we will send your withdrawal payment by **CHAPS**. This will result in your payment being received one day earlier than requested. No **CHAPS** charge will apply.

15.10 If for any reason, we are unable to raise the money to pay for **income withdrawals** as specified in your **instruction**, we will raise the money from **cash** held in the relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** proportionally from all of your **funds** (including **model portfolios**), based on the value of your **sub account** at the time of the sale.

15.11 Regular payments of **income withdrawals** will be cancelled if the only investment held in the **sub account** is a **fund** that is suspended as described in term 24.2. If you wish to recommence regular **income withdrawals** after the suspension has been removed, you will need to send us an **instruction** to do so. This term will also apply where the value in active **funds** falls below your regular **income withdrawal** amount. Where this happens we will not make a part payment to you.

15.12 Capped drawdown (only available for account holders who opted for capped drawdown before 6 April 2015)

a) If you are in capped drawdown, your withdrawals are subject to a maximum annual withdrawal limit. You can change the amount of your withdrawals at any time as long as they are not more than this maximum annual withdrawal limit.

b) The maximum annual withdrawal limit is set by the **regulations** and is calculated using your age, size of your investment and the rates set by the Government Actuary's Department (GAD).

c) We calculate the maximum annual withdrawal limit when we accept your **instruction** for **income withdrawal** and every three years until your 75th birthday. After your 75th birthday, it is recalculated every year.

d) If you **crystallise** more of your investment in the form of **income withdrawal** into a **sub account**, we will recalculate your maximum annual withdrawal limit for that **sub account**. This may increase or reduce your maximum annual withdrawal limit, depending on the rates set by the GAD, the value of your **sub account** and your age at the time of the recalculation.

e) You can elect to make additional designations into your capped drawdown **sub account** up to ten **working days** before your annual review date.

f) A recalculation is also triggered if you buy an **annuity** or a pension sharing order is transacted with part of your capped drawdown **sub account**. Your new maximum annual withdrawal limit will take effect at the start of the **pension year** after the one in which the recalculation takes place that is within the current three-year period.

g) When we review your maximum annual withdrawal limit every three years (every year after age 75), we carry out the calculation 60 days before the start of the **pension year** from which the new maximum annual withdrawal limit is to take effect.

h) We will write to you shortly before the start of each **pension year**, showing you what your maximum annual withdrawal limit would be if it were to be recalculated. You can choose whether to apply that recalculation from the start of the next **pension year**. To take effect we must receive your **instruction** at least ten **working days** beforehand. If you choose to do so, you will have three years (or until the next **pension year** after you reach age 75) before the next automatic recalculation.

i) You can nominate to switch to flexi-access from capped drawdown at any time.

j) You can have both capped drawdown and flexi-access drawdown **sub accounts** in your **account**. You can hold one capped drawdown **sub account** and one flexi-access drawdown **sub account** that can accept additional **crystallisations** from **uncrystallised funds** and **cash**. Other **crystallised sub accounts** you hold within the **account** cannot accept additional **crystallisations**.

15.13 Flexi-access drawdown

a) **Accounts** in flexible drawdown prior to 6 April 2015 have automatically been converted to flexi-access drawdown from 6 April 2015. New **accounts** set up after 5 April 2015 will be deemed to be in flexi-access drawdown unless the **funds** have been transferred from a capped drawdown account.

b) If you choose flexi-access drawdown, there is no maximum annual withdrawal limit.

c) You can **instruct** us to merge **crystallised** flexi-access **sub accounts**.

15.14 Tax-efficient regular income*

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

a) You can **instruct** us to regularly **crystallise** part of your **account** to receive a regular monthly, quarterly, half yearly or yearly income from the **uncrystallised funds,** and **cash** in your **account**. These **crystallisations** will be treated as flexi-access drawdown.

b) The options available are:

i) Regular payment is all tax-free. We pay 25% of this amount as a tax-free lump sum. The residual **crystallised** amount is moved to a **crystallised sub account** for future taxable **income withdrawals**.

ii) Regular payment is a mix of tax-free and specified taxable amounts. We pay 25% of this amount as a tax-free lump sum and a specified part of the residual **crystallised** amount as taxable income. The balance will be moved to a **crystallised sub account** for future taxable **income withdrawals**.

iii) Regular payment is a 25/75% mix of tax-free and residual taxable amounts. We pay 25% of this amount as a tax-free lump sum and the residual **crystallised** amount as taxable income.

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

c) **Tax efficient regular income** will cease if we become aware that you have insufficient **Lump Sum Allowance** available.

d) **Tax efficient regular income** will cease when you have no tax-free lump sum entitlement left. A new **instruction** will be required to take further income from your **crystallised sub account(s)**.

e) The option is not available if you are under the age of 55 or where one of the following applies:

i) Protected Low Retirement Age

ii) Scheme Specific Tax Free Cash

iii) Primary Protection with Primary Protected PCLS

iv) you have selected ill-health early retirement

v) **Disqualifying Pension Credit**.

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

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

a) Payments will always be rounded down to the nearest penny where applicable.

b) You can start, change or stop your **income withdrawal** payments at any time. To take effect before the next payment date, we must receive your **instruction** at least ten **working days** beforehand.

c) If your **instruction** for a single one-off withdrawal 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 amount allowed from that **fund** as detailed in the **account eligibility and requirements guide**.

d) Where a payment is due to be made by **BACS**, we may agree to pay by **CHAPS**, in which case we will deduct a **CHAPS** charge.

e) Where an **instruction** to take a **retirement benefit** includes a suspended **fund** we will not be able to accept your **instruction**.

Please refer to the **Charges guide** for details of the **CHAPS** charge.

16. Buying an annuity

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

17. Other options

17.1 Where special circumstances apply, such as a protected low pension age, ill-health or serious ill-health, you may be able to take your **retirement benefits** before **normal minimum pension age**.

17.2 You will be considered as being in ill-health under the **regulations** if we have received evidence from a registered medical practitioner that you have ceased to carry out your own occupation due to ill-health, and will continue to be medically incapable (either physically or mentally as a result of injury, sickness, disease or disability) of continuing that occupation.

17.3 You can **instruct** us to make a serious ill health lump sum payment. You will be considered as being in serious ill-health under the **regulations** if we have received evidence from a registered medical practitioner that your life expectancy is less than 12 months.

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

17.4 You can **instruct** us to pay you a **small pension fund lump sum** in line with the **regulations**.

17.5 We will pay any **small pension fund lump sum** within ten **working days** after receiving everything that we need to make the payment.

17.6 We will raise the money to pay you a **small pension fund lump sum** by selling proportionally across all **funds** (including **model portfolios**) and **cash**.

Death

18. Death

18.1 When you apply for your **account**, you will be asked to nominate a person or persons to receive benefits from your **account** upon the event of your death. The nominations you make are an expression of your wish and are applied at our discretion.

18.2 Upon written or verbal notification of your death we will sell all the **funds**, including any suspended **funds** based on their latest available value in your **account** and hold the proceeds as **cash**. We will submit the **instruction** to sell to the **fund manager(s)** no later than the end of the **working day** after the **working day** on which notification is received.

18.3 Payments to beneficiaries/**dependants** will have interest added to **cash** in line with the rates detailed in term 6.

18.4 Upon notification of death all **adviser commission** and **fees** will cease.

18.5 It is important that we receive notification of your death as soon as possible. We will require sight of the death certificate and any other documentation we may reasonably request.

18.6 When you die, the value of the **account** can be used to provide one or more beneficiaries/**dependants** with:

a) a lump sum

b) an **annuity** from a pension **annuity** provider, in line with the **regulations.**

c) **income withdrawal** in line with the **regulations.**

18.7 On notification of your death, any pending **instructions** will be cancelled.

18.8 We will deduct any tax before making payment if we are required to by **HMRC**.

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

Transferring your account

19. Transfer to another provider

19.1 You can **instruct** us to **transfer** the value of your **account** to another pension scheme that accepts **transfers**. Partial **transfers** of **crystallised sub accounts** out of your **account** are not allowed except as part of a pension sharing order on divorce or dissolution of civil partnership.

19.2 If you want to **transfer** your **account** to another pension scheme, we must receive your authority to carry out the **transfer** in a format that is acceptable to us.

19.3 You can **transfer funds** in your **account** by **re-registration** or as a **cash transfer** to another pension scheme.

19.4 To **transfer** to a new pension scheme you must **instruct** the new pension scheme first and give them your authority to carry out the **transfer**. The new pension scheme will send us confirmation of your authorised **instructions** and the required method of **transfer** for each **fund** within your **account**.

19.5 When we receive an **instruction** to **transfer** to a new pension scheme, we will treat that **instruction** as providing us with your authority:

a) to request the **fund manager** of each **fund** to carry out any conversion to a share class that is available to the new pension scheme (where the current one held isn't offered); and

b) to take any other reasonable steps to bring about that conversion, in each case, as required to enable the **transfer** of any such **fund**.

19.6 If we incur any costs in **transferring funds**, we may, with your agreement, pass these costs on to you by deducting them from your **account** before carrying out the **transfer**.

19.7 If we accept an **instruction** to **transfer** all of your **account**, we will not be able to accept any further **instructions** in relation to your **account**.

19.8 If a pension scheme tells us that they cannot accept the **transfer** of your **account**, we will not carry out any part of the **transfer** and we will ask you for further **instructions**.

If a **fund** being **transferred** from your **account** cannot be **re-registered** for any reason, we may be instructed by the new pension scheme to sell the **fund**.

19.9 Payment of a **cash transfer** will be made to the receiving pension scheme within ten **working days** of when we accept your **instruction**. We will pay the **transfer** proceeds as one amount once we receive them from the **fund managers** for all of the **funds** being **transferred**.

19.10 We will defer a **transfer instruction** if it is linked to a **fund** that is suspended until the **fund** unsuspends.

19.11 Where your **account** includes a **fund** that is suspended you may request to **transfer** the suspended **fund** by way of **re-registration** to another **registered pension scheme** that is willing and able to accept it. Such request is subject to our acceptance.

19.12 Where your **instruction** is to **transfer** to a Qualifying Recognised Overseas Pension Scheme we are required by **HMRC** to compare the transfer amount against your available **Overseas Transfer Allowance** and deduct a tax charge where the transfer amount exceeds your available allowance.

20. Closure of your account/sub account

20.1 When closing your **account**/**sub account** we will first complete all **instructions** being processed at the time. Closing your **account**/**sub account** does not affect any existing rights or duties under this **agreement**.

20.2 If you pay regular investments into your **account**, we will need to wait for the last Direct Debit payment to clear before making a full withdrawal or **transfer** payment. If you are receiving withdrawals we will need to wait for the last payment to clear before making a **transfer**.

20.3 If we receive any income or **rebates** that total £10 or more for **assets** that used to be held in your **sub account** after:

a) you have transferred the full **sub account** value; or

b) you have purchased an **annuity** using the full **sub account** value; or

c) you have taken a full withdrawal of the full **sub account** value; or

d) you have died;

we will pay or provide benefits in line with the applicable **regulations**. Amounts that total less than £10 will be moved to Quilter's bank account and paid to our chosen charity.

20.4 At the point of closure we will add to the closure proceeds any interest earned on **cash** within your **account**/**sub account** but not yet applied.

20.5 At the point of closure we will deduct from the closure proceeds any fees and charges (including any interest deductions) which have accrued to the point of closure but not yet been deducted.

20.6 Any debit balance described in section 2.3(c) of the **Charges guide** will also be deducted from the closure proceeds.

For details of the charges please see the **Charges guide**.

Instructions

21. Sending instructions to us

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

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

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

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

a) it does not comply with the requirements in the **Account eligibility and requirements guide**

b) it means we will be in breach of any law or regulatory requirement

c) it would be reasonable for us to reject it, for example where the **instruction** is illegible or unclear.

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)**. We will submit that **instruction** to the **fund managers** by the time indicated in the table:

Form of instruction	Time
Adviser Extranet or **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.

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

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, your **financial adviser** or **DIM**, it may take a number of **working days** to complete the first transaction and start the second.

23.5 In exceptional circumstances outside of our control, we may delay starting to carry out your **instructions** until the earliest **working day** that is appropriate and reasonable. This could happen if, for example, no accurate **unit** price is available from the **fund manager** or there has been a significant change to the **fund**.

23.6 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**.

23.7 We will not carry out **instructions** if before we start to do so:

a) we are notified of your death

b) your **account** is closed.

23.8 If you **instruct** us to invest into more than one **fund** (including **model portfolios**), the percentage you want to invest in each **fund** must be given up to a maximum of two decimal places. If the percentage amount for any **fund** (including **model portfolios**) is shown to more than two decimal places, we will round the percentage of each such **fund** to the nearest two decimal places. If the total then does not equal 100%, we will increase or decrease the percentage amount invested in one of the **funds** (including **model portfolios**) shown in your **instruction** so that the total equals 100%.

23.9 It is the responsibility of you and your **financial adviser**:

a) to check that we have correctly interpreted and carried out any **instructions** given for your **account**, and

b) to notify us of any discrepancies within 30 days of your receipt of confirmation of the change.

General

24. Changes to funds

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

a) unless you **instruct** us otherwise, if the continuing **fund** is on our Funds List, **units** in the original **fund** will be **switched** and any future regular investments into the original **fund** will be **redirected** to the continuing **fund.** Where your **account** is invested in a **model portfolio,** your **financial adviser** or **DIM** can provide us with an alternative **instruction**

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

c) any remaining income from the original **fund** will be held as **cash** in your **account**. Where your **account** is invested in a **model portfolio**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**.

24.2 We, or **fund managers** may decide to suspend a **fund**. If this happens:

a) your **account** will remain invested in the **fund** but you will not be able to buy or sell **units** in the **fund** while it is suspended

b) unless you **instruct** us otherwise, any future regular investment into that **fund** will be invested proportionally across the active **funds** contained within your **instruction**. If there are no active **funds** within the **instruction**, the investment will go to **cash**. Where your **account** is invested in **model portfolios**, your **financial adviser** or **discretionary investment manager** can provide us with an alternative **instruction**

c) if you are receiving regular **income withdrawals** where payments are met by selling **units** proportionally from all of your **funds** we will raise the payment required from **cash** and by selling **units** in the active **funds** (including **model portfolios**)

d) if you are receiving regular withdrawal payments under the **tax-efficient regular income** options where payments are met by selling one or more specified **funds** and one or more are suspended, we will raise the payment from **cash** held in the relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling proportionally from all of your **funds** (including **model portfolios** based on the value of your **sub account** at the time of the sale. If we are unable to raise the payment for a one-off or regular withdrawals of capped or flexi-access drawdown, no payment will be made and the regular payment of **income withdrawals** will be cancelled.

e) Where there is insufficient **cash** or active **funds** the regular withdrawal will be cancelled.

f) if your **instruction** includes a **fund** which is suspended but we are aware the suspension is to be removed in the near future (within five **working days**) we may defer carrying out your **instruction** until the suspension is lifted

g) **phased investment** instalments into the suspended **fund** will be invested proportionally across the active **funds** contained within your **phasing instruction**. If there are no active **funds** within the **phasing instruction**, the instalment(s) will remain in **cash**.

h) we will use the last known price to value your investment in a suspended **fund** against which any charges will be calculated.

24.3 **Fund managers** may decide to close a **fund** or we may decide to remove a **fund** from our Funds List (for example due to the 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 **switched** to **cash** within your **account**

b) unless you give an alternative **redirection instruction**, any existing regular investment into that **fund** will be **redirected** to **cash**. Where your **account** is invested in **model portfolios**, your **financial adviser** or **discretionary investment manager** can provide us with an alternative **instruction**

c) any remaining distributions from the **fund** will be held as **cash** within your **account**.

d) and the **fund** is removed and we have the same **fund** with a different share class available on our Funds List, **units** in the original **fund** may be **switched** into the **fund** with a different share class. Any future regular investments into the original **fund** will be **redirected** to the **fund** with a different share class on our Funds List.

24.4 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) unless you **instruct** us otherwise, any regular investment into that **fund** will continue to be paid into it but you will not be able to increase the amount of the regular investment that is invested into the **fund**

c) you cannot make a top-up lump-sum investment into that **fund**

d) any future distributions from the **fund** will continue to be **reinvested** in the **fund.**

24.5 We or **fund managers** may decide to close a **fund** to all purchases. 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) unless you give an alternative **redirection instruction**, any existing regular investment into that **fund** will be **redirected** to **cash**. Where your **account** is invested in **model portfolios**, your **financial adviser** or **DIM** can provide us with an alternative **instruction**

c) any future distributions from the **fund** will be held as **cash** within your **account.**

24.6 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 **account** when we notify you of the change.

24.7 We will advise you of any additional effect on **phased investments** at the time we notify you of the **fund** changes. Where possible, we will notify you of the changes prior to them happening however, there might be occasions where we cannot, for example where we are not given notice of the change.

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

25. Changes to this agreement

25.1 We can change these terms and conditions at any time if the changes are to:

a) help us administer your **account** more effectively
b) take into account changes to our operating costs
c) withdraw or vary any facility or option under your **account**
d) introduce new facilities or options to your **account**
e) vary the minimum investment, minimum **account** 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 **account**
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 **account**.

25.2 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.

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

25.4 If we make any change to your **account**, you may **instruct** us to **transfer** it to another pension scheme within 30 days of our notifying you of the change at no additional cost to you (although we will deduct all outstanding charges).

26. Statements

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

26.2 You can also access your **account** value more often online. For more details, see term 28 **online Customer Centre**.

27. Valuing your account and your funds

27.1 When we value your **account** or any **funds** we will use the latest available value of the **units**.

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

28. Online Customer Centre

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

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

28.3 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).

28.4 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.

28.5 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.

29. Your financial adviser

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

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

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

29.4 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.

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

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

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

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

29.9 Your **account** 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 **cash** within your **account**.

30. Your discretionary investment manager (DIM)

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

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

30.3 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.

30.4 We will act on the **instructions** of the **DIM** once appointed. We will cease to act on **instructions** from the **DIM** in the following circumstances:

a) your account is switched out of the **model portfolio**

b) we receive instructions from you or your **financial adviser** that you, or your **financial adviser** has ended the terms of business in place between you and/or your **financial adviser** and the **DIM**

c) you notify us that you have changed your **financial adviser** firm or removed them from your **account**

d) we terminate our terms of business with your **financial adviser** firm

e) you close your **account**

f) in the event of your death

g) we terminate our terms of business with the **DIM** or otherwise cease to act on their **instructions**. This could be because we become aware that a **DIM**:

  i) has been refused membership by, or has been expelled from, a professional organisation; or

  ii) is under investigation by, or has been the subject of disciplinary action by, a regulatory authority; or

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

  iv) ceases to hold the necessary regulatory authorisation to perform their role

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

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

30.5 Your **account** 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 **account** ceases to be invested in the **model portfolio**, any such **fund** 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 **cash** within your **account**.

31. Our liability

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

a) any costs, claims, demands, losses or expenses arising from any fall in the value of your **account**

b) our acts or omissions or those of any third party outside the Quilter plc group of companies (for example, a **fund manager**).

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

31.3 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 and

i) any other cause beyond our reasonable control as a consequence of which we can no longer administer your **account** for a given period

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

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

32. Amounts you owe us

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

33. Notices

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

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

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

34. Miscellaneous

34.1 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**.

34.2 If we are required under the **regulations** to impose any tax charge or other charge or penalty, we will deduct the charge or penalty from your **account**.

34.3 We do not give any advice regarding **funds**, your **account** or any **instruction**. The availability of a particular **fund** does not imply that it is suitable for you.

34.4 The services we provide do not include a review of your **funds**.

34.5 For regulatory purposes, we will treat you as a retail client. Retail clients receive the greatest level of regulatory protection.

34.6 It may be necessary to suspend dealing in **funds** within your **account** in the event of exceptional circumstances that are outside our control.

34.7 In making decisions and exercising any discretion given to us under this **agreement**, we will act reasonably and with proper regard to the need to treat you and our other customers fairly.

34.8 References in this **agreement** to tax reflect our understanding of the law at the date of this **agreement**. However, tax rules will depend on your personal circumstances and may change in the future. You should speak to your **financial adviser** for advice on tax.

34.9 You will not earn interest on any uninvested amounts held in our bank accounts where the amount has not been accepted into the **account**.

34.10 This **agreement** is between you and us. No other person shall have any rights to enforce any of its terms.

34.11 We may delegate any of our functions or responsibilities to a third party. If we do, we will satisfy ourselves that the third party is competent to carry out those functions and responsibilities. We will remain responsible for the acts and omissions of that third party as if they were our own acts or omissions.

34.12 This **agreement** is subject to and is to be interpreted in accordance with the laws of England and Wales. You and we submit to the jurisdiction of the courts of England and Wales.

34.13 This **agreement** and any subsequent communications will be in English.

34.14 We may occasionally receive or pay sums, or make available non-financial benefits, to other regulated firms (either directly or indirectly). Such payments and benefits will be intended to improve the quality of service provided to customers and will be no more than a reasonable de minimis value or limited to the reimbursement of costs and market rate as appropriate. Due regard will be given to ensure that they do not conflict with any duty the recipients have to act in the best interests of clients. For example a reasonable per head / per event value for business meals is generally no greater than a benefit of £50 and subject to approval controls. Further information is available upon request.

35. Complaints

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

35.2 You can make a complaint by contacting us at our **postal address** or by telephoning 0808 171 2626.

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

The Pensions Ombudsman can be contacted as follows:
The Pensions Ombudsman
10 South Colonnade
Canary Wharf
E14 4PU

www.pensions-ombudsman.org.uk
Telephone: 0800 9174487

Free help is also available from Moneyhelper, a government backed financial guidance provider. They can advise you on how to complain and may be able to sort the matter out without the need for the Ombudsman to get involved.

The contact details for Moneyhelper are as follows:

www.moneyhelper.org.uk
Telephone: 0800 0113797

All other complaints may be referred free of charge to:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR

www.financial-ombudsman.org.uk
Telephone: 0800 0234567

36. The Pensions Regulator (TPR)

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

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

37. Compensation

37.1 If we cannot meet our liabilities, the Financial Services Compensation Scheme (FSCS) may arrange to **transfer** your **account** to another insurer, provide a new **account** or, if these actions are not possible, provide compensation. The FSCS covers payment to 100% of the value of your **account**, as calculated in accordance with FSCS rules. Any **cash** held in your **account** will share proportionally in any shortfall in the **pooled bank account**, but in the event of the failure of the **pooled bank account** for any reason, the **trustee** will make a claim to the FSCS for compensation for up to £120,000 per member. The risk for money held in **cash** is transferred to you and although the **trustee** will make a claim it is not guaranteed to be successful.

37.2 If you have invested into a **fund** of a **fund manager** that goes into liquidation, then we are unable to claim compensation on your behalf from the FSCS on your behalf as you are not the owner of the **funds**.

37.3 We or your **financial adviser** can provide further information about compensation arrangements on request. You can also find out more from:
Financial Services Compensation Scheme
10th Floor, Beaufort House
15 St Botolph Street
London EC3A 7QU
Telephone: 0800 678 1100 or 020 7741 4100
Website: ***www.fscs.org.uk***

38. Order execution policy

38.1 Under the **FCA** rules, we have an obligation to take all reasonable steps, when processing **instructions**, to obtain the best possible result for our **account holders** taking into account all relevant considerations, the **FCA** call these the execution factors. We must have an 'Order Execution Policy' in place to meet this regulatory obligation. This term 38 satisfies that requirement.

38.2 Execution Venue

a) We will execute **instructions** by sending dealing **instructions** to the operator of each relevant **fund**, or its agent.

b) 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.

c) 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.

38.3 We only trade once each **working day** in **funds** that price once each **working day**. The timescales for processing **instructions** are specified in term 23.

Glossary

Account – The Collective Retirement Account.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Cash – The cash balance recorded under a **sub account.**

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

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

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

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

Commission – A payment made by us to your **financial adviser** for the services they provide on your **Account**. It is paid from our charges and any **rebates** we receive from **fund managers**.

Crystallise, Crystallised, crystallised funds, crystallised assets – Funds that have been designated to provide for **income withdrawal**.

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

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

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

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

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

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

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.

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

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

Fund-based trail commission – An ongoing **commission** payment, which varies between **funds** and which we pay monthly to your **financial adviser**. It is paid from the **rebates** we receive from **fund managers**; it is not deducted from your **account**.

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

HMRC – His Majesty's Revenue & Customs.

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

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

Income withdrawal – Taking income direct from your pension fund.

Instruct, instruction, instructed – An **instruction** to us in accordance with term 21, to carry out a transaction relating to your **account** including but not limited to: making a lump-sum investment, making a regular investment, **transferring** into or out of your **account, phased investment, switching, redirecting** regular investments, reinvesting income, taking a **retirement benefit**.

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

Lump Sum Allowance – This allowance is a limit on how much money can be taken tax-free from all of your pensions while you are alive.

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.**

Nominated trail commission – A monthly **commission** payment of a specific percentage of your **account** value, agreed between you and your **financial adviser**.

Normal minimum pension age – The minimum age at which you can take your **retirement benefits** as determined by the **regulations**. It is age 55 but is rising to age 57 from 6 April 2028.

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

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

Overseas Transfer Allowance – This allowance is a limit on how much you can transfer to a Qualifying Recognised Overseas Pension Scheme before an **Overseas Transfer Charge** is applied.

Overseas Transfer Charge – 25% of the amount of the transfer value exceeding your available **Overseas Transfer Allowance** or 25% of the total transfer value in other circumstances.

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

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

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

Postal address – Quilter, SUNDERLAND, SR43 4JP.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Uncrystallised, uncrystallised funds, uncrystallised assets – Assets in your **account** that have not yet been designated to provide **income withdrawal**.

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

Working day – A day on which we are open for business.

Charges guide

1. Explanation of each Charge Basis

Our three different charge bases are:

CHARGE BASIS 1

This means your **account** is subject to the Investor Charge and your **financial adviser** is entitled to receive **commission.**

CHARGE BASIS 2

This means your **account** is subject to the Investor Charge and **Adviser Charging.**

CHARGE BASIS 3

This means your **account** is subject to the Product Charge and **Adviser Charging,** so your **account** is subject to different terms and conditions.

- The Investor Charge is explained in section 2.2 of this guide.
- **Adviser Charging** is explained in section 4.1 of this guide
- The Product Charge is explained in our guide **Making the cost of investment clear** for Charge Basis 3.

If you are unsure which Charge Basis applies to your **account**, contact your **financial adviser,** or call our Customer Contact Centre on 0808 171 2626.

2. This section relates to Charge Basis 1 and Charge Basis 2

2.1 Payment of financial adviser fees, and the investor charge

a) If we agree to pay fees to your adviser on your behalf, we will meet these payments by using **cash** held within your **account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** from all of your **funds** (including **model portfolios**) proportionally, based on the value of your **account** at the time of sale.

b) If a **fund** has been suspended and we have agreed to deduct an **adviser fee** from your **account** we will calculate the fee based on the value of all relevant **funds** (including the suspended **fund**, provided the **fund manager** has made an indicative price available), and **cash** in your **account**. However, we will pay the agreed fee from **cash** and by selling **units** (as described in 2.1(a) from the active **funds** only. If the only investment held in your **account** is a **fund** that is suspended we will accrue the fee(s) during the period of the suspension. Once the suspension is removed, any fees accrued will be deducted in line with 2.1 (a). We will also adopt this process to meet the Investor Charge.

c) If any transactions involving selling **units** in any **funds** are being processed on the **account charge date** (or **account** anniversary for adviser regular initial fee if different), we will not sell **units** to pay the **adviser fee**, or Investor Charge until all earlier transactions have been completed, even if the **funds** in the other transactions are different from those being sold to pay the **adviser fee**, or Investor Charge.

d) Where we sell **units** to meet fees for your adviser, we will sell six times the value of the fees subject to a minimum value of £25 and a maximum of 0.75% of the **account** value. We will hold the residual amount in **cash**. This provides sufficient **cash** to meet future fees without needing to sell further **units** from your **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.

2.2 Investor Charge

a) The Investor Charge covers all **accounts** and bonds held by you on Charge Basis 1 or 2 under the same customer reference number.

If you are an individual investor as well as an investor through a joint, corporate, trustee or pension scheme account or bond, the Investor Charge will apply separately.

b) We will deduct a payment from your **account** every six months equal to half the Investor Charge applicable at the time the payment is taken. The first payment is deducted from your first investment before the balance is invested into your **account**. Thereafter, the charge is deducted by selling from **cash** or if insufficient **cash** is held we will meet the shortfall by selling **units** proportionally from all your **funds** (including **model portfolios**) in the relevant **sub account.**

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

d) We will deduct the Investor Charge proportionally from all of the **crystallised sub accounts** in your **account**. The Investor Charge arising from the **uncrystallised sub account** will be deducted from the largest **crystallised sub account**. Where there are no **crystallised sub accounts** we will deduct from the **uncrystallised sub account**.

e) If you invest in more than one **account** or bond on Charge Basis 1 or 2 through Quilter, we only deduct the Investor Charge from one of those products, in the order of: Collective Investment Bond, Collective Retirement Account. If you have more than one **account** or bond of the same type on Charge Basis 1 or 2 (for example, you hold two Collective Investment Bonds), we will deduct the charge from the **account** or bond with the earliest start date.

f) If you have more than one **account** or bond of the same type on Charge Basis 1 or 2 with the same start date, we will deduct the Investor Charge from the one with the lowest **account** or bond number. If you are paying the charge, then later invest in an **account** or bond that is higher in the order mentioned above, the charge will be deducted from the newer **account** or bond but will continue to apply every six months, based on the original start date.

g) The Investor Charge is reviewed in June each year based on the value of the **AWE**. If the value of the **AWE** has increased over the previous 12-month period, the Investor Charge will increase by the same percentage. If the value of the **AWE** has fallen over that period, the charge will remain unchanged.

2.3 Treasured funds

a) As described in section 2.1, charges and fees will be met using **cash** within your **account**. If there is insufficient **cash** at the time a payment is due, **units** will be sold to meet the shortfall as described throughout this guide.

b) 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**) proportionally, based on their value at the time of sale. If you instruct us to move a **treasured fund** from your **uncrystallised sub account** to your **crystallised sub account** it will lose its treasured status.

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

   i) You, your **financial adviser** or the **DIM** have 30 days from the date the charge is due to provide us with new **instructions** in order to clear the debit balance.

   ii) If any of the debit balance remains outstanding after the 30-day notice period we will sell **units** from all of your **funds** proportionally, including the **treasured funds** based on the value of your **account** at the time of sale.

2.4 Chaps charge: £23.00

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

2.5 Additional charges

a) We may agree with you to make an additional charge to cover any administration costs we incur in providing any additional services you request that are not included in these terms.

b) We retain an element of interest we pay on **cash** as detailed in term 6.

2.6 VAT and rates

All of our charges are exclusive of VAT, where applicable.

These charges are our current rates and may change in the future. We may also introduce new charges or change the way that we calculate our charges. We will let you know in advance of any change to our charges.

More details are in our guide **Making the cost of investment clear**; there is one for each Charge Basis. The guides are available from your **financial adviser**.

3. This section relates to Charge Basis 1

3.1 Trail Commission

a) This is ongoing **commission** for your **financial adviser**. You can agree with your **financial adviser** that they will be **paid trail commission** by way of **fund-based trail commission** or **nominated trail commission**.

b) If you instruct us to pay **nominated trail commission** to your **financial adviser**:

- we will pay a fixed percentage of your account value, with a minimum of 0% each year and up to a maximum of 1.5% each year
- we pay **nominated trail commission** monthly. The annual percentage rate is divided by 365.25 to calculate a daily amount. The daily fees are then added together at the end of each month
- we will use the **fund-based trail commission** to cover the **nominated trail commission payments**.

c) If the amount of **nominated trail commission** payable to your **financial adviser** is higher at the end of a month than the **fund-based trail commission**, we will make up the shortfall from **cash** or if insufficient **cash** is held we will meet the shortfall by selling **units** proportionally from all your **funds** (including **model portfolios**). If a **fund** is closed or suspended for trading, the value of the closed or suspended **fund** will be included as part of the calculation to determine the **account** value, provided the **fund manager** makes an indicative **unit** price available, but we will not be able to sell **units** from it. Instead, any shortfall will be split proportionally among the remaining available **funds** as specified in your instruction.

d) If the amount of **nominated trail commission** payable to your **financial adviser** is lower at the end of a month than the **fund-based trail commission**, the remaining amount will be left in **cash**.

e) Calculations for **fund-based trail commission** and **nominated trail** are based on the value of **funds** in your **account** at the end of each day, excluding any transactions that are in progress. For example, in the case of a **switch** that takes place over two or more days, where the sale part of the **switch** has completed but the new **units** have not yet been purchased, the value of the **funds** sold will not be included in the **trail commission** calculations.

If the **fund-based trail commission** generated by a **fund** reduces, we will need to sell more **units** to meet **nominated trail commission** payments.

3.2 Conversion to Charge Basis 2

You can convert your **account** from Charge Basis 1 to Charge Basis 2; see section 4 of this guide for more information about **Adviser Charging**, Charge Basis 2 and conversion. Section 4 also gives details of transactions that will automatically convert your **account** to Charge Basis 2.

3.3 Conversion to Charge Basis 3

You can also convert your **account** from Charge Basis 1 or 2 to Charge Basis 3, which has separate terms and conditions.

Your **financial adviser** will be able to explain more about Charge Basis 3 and advise you if conversion is suitable for you.

4. This section relates to Charge Basis 2

4.1 Adviser charging

As a result of regulatory changes, which apply from 31 December 2012, **financial advisers** will be paid by fees instead of **commission** for the investment advice they provide.

We have therefore put in place a new charging structure, known as **Adviser Charging**, for all our products available through us. This section explains this new charging structure and the circumstances in which you might move onto it.

4.2 Conversion to adviser charging

a) You can choose to convert to **Adviser Charging** at any time.

b) Your account will automatically be converted to **Adviser Charging** if any of the following events happen on it following advice given to you by your **financial adviser.**
   - You top-up your **account**
   - You **transfer** into your **account**
   - You pay a new or increased regular investment by Direct Debit into your **account**
   - You request any changes to the existing **commission** arrangements.

c) The new charging basis affects the way in which your **financial adviser** is paid. If your account moves onto **Adviser Charging**, under Charge Basis 2 we will still deduct the Investor Charge but will no longer pay any **commission** to your **financial adviser**.

d) You should speak to your **financial adviser** to agree any **adviser fees** that you will pay to them.

4.3 Adviser fees

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

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

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

i) Adviser Initial fee

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

ii) Adviser initial regular fee

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

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

The adviser initial regular fee is deducted on the day of the month the relevant **sub account** was opened. If we are unable to deduct the fee on the anniversary, due to other transactions in progress on the **account**, we will deduct it on the first **working day** after the other transactions are complete. We will meet the fee by using **cash** held or where there is insufficient **cash** by deducting **units** proportionally from all the **uncrystallised funds** (including **model portfolios**) in your **account** to meet the shortfall in line with section 2.1.

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

iii) Adviser Ongoing Servicing Fee

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

The fee can be applied separately to:

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

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

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

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

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

We will meet the fee by using **cash** held in the relevant **sub account** or where there is insufficient **cash** by deducting **units** proportionally from all the **funds** (including **model portfolios**) in the relevant **sub account** to meet the shortfall in line with section 2.1.

iv) Adviser ad hoc fee

A one-off fee payable to your **financial adviser**. It is expressed as a specific amount of money. We will deduct the fee from **cash** held within your relevant **sub account**. If there is insufficient **cash**, we will meet the shortfall by selling **units** proportionally from all **funds** (including **model portfolios**) within the relevant **sub account** in line with section 2.1.

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

d) You can amend an **instruction** for the following **adviser fees**:
   - adviser initial regular fee (can be amended for future regular investments only)
   - adviser ongoing servicing fee

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

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

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

g) After we have deducted a fee, we will hold it on behalf of your **financial adviser** and as such it will cease to be treated as your money. We will then pay it to your **financial adviser** in line with the terms agreed with them.

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

Reimbursed amount

a) Part of the **rebate** that we receive belongs to you, while we keep the balance.

b) The amount that belongs to you is called the 'reimbursed amount' and its value depends on the **funds** that you hold in your **account**.

The following are examples of the annual reimbursed amount. The actual amount for the individual **funds** is shown in our Funds List:

The type of fund	Typical reimbursed amount (% of fund value)
Equity, managed, property	0.50%
Fixed interest	0.35%
Tracker	0.25%
Cash funds	0.00%

c) The reimbursed amount will be added to your **account** into the **fund** that the amount originated from. The amount used to buy additional **units** is known as a 'customer account credit'. We will not **reinvest** into the **fund** from which the reimbursed amount was received, where the value is below our minimum for **rebates**. The **rebate** will instead be held as **cash** within your **account**. If the **fund** is part of a **model portfolio**, then the reimbursed amount will be reinvested into the **model portfolio** as **cash**.

d) Calculations for the customer account credit are based on the value of **funds** in your **account** at the end of each day, excluding any transactions that are in progress and are added to your **account** on the 1st **working day** of the month. For example, in the case of a **switch** that takes place over two or more days, where the sale part of the **switch** has completed but the new **units** have not yet been purchased, the value of the **funds** sold will not be included in the calculations for the customer account credit.

e) If a **fund** generating a reimbursed amount is closed or suspended or the **fund** generating the customer account credit is part of a **model portfolio** which has been closed by your **financial adviser** or **DIM**, the reimbursed amount will be held as **cash** instead of being **reinvested**.

Account eligibility and requirements guide

Eligibility	
Age – to open a new **account** or top up an existing **account**	No minimum age to open an **account**. However, a legal guardian is required to sign on behalf of an **account holder** who is under 18 years of age. To make lump-sum and regular investments you must be no more than 74 years of age. This means that your investment should be received at least five **working days** before your 75th birthday. To **transfer** into a new **account** you must be no more than 84 years of age. This means that your investment should be received at least five **working days** before your 85th birthday.

Eligibility	
Relevant **UK** Individual	You must be a relevant **UK** individual. Individuals are relevant **UK** individuals if they: a) have relevant **UK** earnings chargeable to income tax for that **tax year** b) are resident in the **UK** at some time during that **tax year** c) were resident in the **UK** at some time during the five **tax years** immediately before the **tax year** in question and they were also resident in the **UK** when they joined the pension scheme d) have for that **tax year** general earnings from overseas Crown employment subject to **UK** tax (as defined by section 28 of the Income Tax (Earnings and Pensions) Act 2003); or e) are the spouse or civil partner of an individual who has for the **tax year** general earnings from overseas Crown employment subject to **UK** tax.
Residency	You must be one of the following: a) resident in the **UK** b) a Crown employee serving overseas c) the spouse or civil partner of a Crown employee serving overseas.

Variable product features	
Income withdrawal – minimum	£25 per month or £300 per year. £125 for ad hoc withdrawals from **crystallised funds.**
Income withdrawal – tax-efficient regular income minimum	The minimum amount to **crystallise** is £125 per month.
Investment – minimum for new accounts	£3,600 (gross) for new lump-sum or **transfer** payments £99 (gross) per month for monthly Direct Debits £3,600 (gross) for annual Direct Debits Where there is more than one party paying into your **account**, the minimum each person must pay is: £1,800 for lump-sums and **transfer** payments £50 per month for monthly Direct Debits £1,800 for annual Direct Debits.
Investment – minimum for top-ups	There is no minimum investment amount.
Minimum amount to **crystallise**	£125
Pension input period	The pension input period will commence when we receive the first lump-sum or regular investment and will run until the following 5 April. Each subsequent pension input period will run from 6 April each year and end on the following 5 April.
Rebate- Reinvestment minimum	£1
Single withdrawal - maximum	For single one-off withdrawals the maximum is 95% of the **account** value or 95% of any individual **fund's bid value**.
Switches	Unless you are **switching a fund** in its entirety, the maximum that can be **switched** out is 95% of its **bid value**.
Tax relief	To be eligible for tax relief in a **tax year**, you must be a relevant **UK** individual. The tax relief available on personal and third party investments for the **tax year** 2023/24 is the greater of £3,600 or 100% of **UK** relevant earnings. The allowance in subsequent **tax years** will be set by **HMRC**.

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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.

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