

# The Sanlam Onshore Bond

## Investment management agreement

(Third Party Investment Manager)

**This Agreement is required where the accountholder(s) has/have appointed EITHER an appropriately authorised Financial Adviser on a full discretionary basis OR a discretionary investment manager, to manage the assets in the fund identified below (both referred to as the Investment Manager) AND the accountholder(s) has/have confirmed the investments shall be managed via a platform.**

Name:

(the 'fund')

Being the fund established in respect of the policies issued in respect of the Sanlam Onshore Bond.

This agreement is made on  between (1) Sanlam Life & Pensions UK Limited (the '**Company**') and

(2) (the '**Investment Manager**')

In connection with an application dated  (the 'application') for the following accountholder(s):

(the '**accountholder(s)**')

The expression 'accountholder(s)' shall mean such person who, from time to time, is granted access to the fund as an investment choice under his/her/their Sanlam Onshore Bond. Any such person whose account ceases to be linked to the fund shall cease to be a policyholder.

Please confirm the investment wrap platform on which the fund is to be managed below:

(the '**Platform**')

### Whereas:

- The Company has agreed to establish a Sanlam Onshore Bond upon the Sanlam Onshore Bond terms and conditions for the accountholder(s).
- Sanlam Life & Pensions UK Limited (the Company) is authorised by the Prudential Regulation Authority ('PRA') and regulated by the Financial Conduct Authority ('FCA') and the Prudential Regulation Authority. The FCA's address is 25 The North Colonnade, Canary Wharf, London E14 5HS.
- Both the FCA and the PRA are referred to as the Regulator throughout this agreement and reference to the Regulator's Handbook includes, but is not limited to the FCA's handbook of rules and guidance.
- The accountholder has nominated the Investment Manager to act as discretionary investment manager of the assets held in the fund and the Company has agreed to appoint the Investment Manager to manage the fund on a discretionary basis upon these terms.

## 1. Appointment

At the request and nomination of the accountholder(s), the Company hereby appoints the Investment Manager to undertake on its behalf the discretionary investment management of the fund provided under the policy or policies issued to the accountholder, subject to the terms and conditions contained in this agreement.

## 2. Conditions of appointment

- a. This agreement sets out the way in which the fund will be operated. The Investment Manager's terms and conditions shall also apply to this appointment provided that this agreement shall override any conflicting or inconsistent provisions in any terms and conditions between the Company and the Investment Manager.
- b. The Investment Manager hereby agrees that it is the appointee of the Company and is responsible to the Company for the conduct of the management of the fund, in the manner set out in this agreement, but not for any other purpose or in any other respect.
- c. The Investment Manager is, and will remain for the duration of this agreement, appropriately authorised by the Regulator to perform its obligations under this agreement and will comply with the rules of the Regulator's Handbook at all times for the duration of this agreement.
- d. The Investment Manager shall manage the fund in accordance with the standard of care that could reasonably be expected of a professional investment manager acting in good faith and with reasonable skill and care, and will ensure that it has, and makes available, the experience, expertise and resources requisite and proper for the management of the fund. The Investment Manager shall provide such information as is required to be disclosed, in accordance with the Regulator's Handbook and such other information as the Company may reasonably require about its business, personnel, financial standing and authorisations.
- e. The Investment Manager hereby agrees to manage the fund in accordance with the investment objectives, policy and controls as agreed in writing by the accountholder with the Investment Manager (details of which are to be provided to the Company) and such other written instructions as the Company may issue from time to time. Subject to such objectives, policy and controls, the Investment Manager shall have complete discretion in respect of the fund and the Company shall not be responsible for such objectives, policy or control or for exercising any discretion in respect of the fund. The Investment Manager agrees to notify the Company immediately in writing of any change to the investment objectives, policy and controls as agreed between the accountholder and the Investment Manager.
- f. The Investment Manager will be responsible for assessing that the assets comprised in the fund are suitable for the accountholder(s).
- g. The Investment Manager will establish an appropriate method of evaluation and comparison, based on objectives, policy and controls (as agreed in writing with the accountholder) and the types of investments included in the fund so as to enable the Company and the accountholder(s) to access the Investment Manager's performance and shall notify the Company in writing of such method of evaluation and frequency of valuation.
- h. This agreement is personal to the Investment Manager and may not be assigned or transferred, either in whole or in part by the Investment Manager.
- i. If the Investment Manager is also an independent intermediary who sold the Sanlam Onshore Bond which is to be invested in the fund, then the Investment Manager shall obtain the express written consent of the accountholder(s) to the dual role of the intermediary and as investment manager and shall be responsible for, and shall comply with, and disclosure requirements as set out in the Regulator's Handbook.
- j. The Investment Manager has in place a conflicts of interest policy which specifies the procedures that it follows and the measures it has adopted to avoid, prevent and manage conflicts in a way which ensures fair treatment of the Company. The Investment Manager shall disclose to the Company its interest in any investment, asset or other matter so affected by this agreement, whereby a conflict of interest does or might reasonably be considered to arise in respect of any profit, fee or other interest in any transaction other than the remuneration set out in Section 6.
- k. It is the sole responsibility of the Investment Manager to monitor on an ongoing basis that the fund is being managed in accordance with the requirements set out in this agreement.
- l. The Investment Manager acknowledges and agrees that all settlements in relation to dealings in assets under the terms of this agreement must comply with the Platform's terms and conditions and it is the responsibility of the Investment Manager to issue investment instructions to the Platform and to act in accordance with the operating procedures of such Platform. If the accountholder(s) no longer wish to use the Platform any proposed alternative Platform and/or custody arrangements (and related agreements) shall be subject to the company's prior written consent and on such terms as the company may require.

- m. Where investments are carried out via a Platform the Investment Manager shall nevertheless be bound by these Terms. In particular the Investment Manager shall at all times be bound by the restrictions on the scope of investments set out in Section 4. It is the responsibility of the Investment Manager to ensure such compliance.
- n. The Investment Manager shall inform the Company immediately if the Investment Manager ceases to act for the accountholder. The Investment Manager confirms that the accountholder understands that in this event it will not be possible for the investments in the Sanlam Onshore Bond to be managed until another Investment Manager, or financial adviser (who is appropriately authorised), has been nominated who has an established relationship with the Platform and who has been accepted by the Company. If within 7 business days of the Investment Manager ceasing to act the accountholder has not nominated an appropriate successor investment manager or financial adviser, the Company reserves the right to instruct the Platform to transfer assets held in respect of that accountholder to a custodian appointed by the Company. The Investment Manager shall ensure the accountholder is aware and understands that the costs of transferring such assets will be charged to the Sanlam Onshore Bond and that the Company's prevailing investment charges for non-paperless transactions shall apply.
- o. In the case of conflict between the terms and conditions of the Platform and these Terms, these Terms shall prevail.

### 3. Ownership of assets

The Investment Manager acknowledges the assets of the fund will, at all times, vest in the Company which shall retain all rights and interests in those assets and the accountholder(s) has/have no legal or beneficial proprietary rights in the assets themselves.

### 4. Scope of investments

The Investment Manager is responsible for the investment of the fund in such of the permitted investments described in the investment objectives, policy and controls for the fund as it thinks fit, and in accordance with the applicable Platform terms and conditions but subject to the following additional provisions:

- a. No asset or investment may be acquired which is not (i) an authorised fund which is a UCITS scheme or non-UCITS Retail Scheme, or (ii) a recognised scheme (as each of those terms is defined in the Regulator's Handbook), and each of which must qualify as a permitted link for linked, long term insurance contracts, as prescribed from time to time in the Regulator's Handbook.
- b. The Investment Manager may not invest in any asset which would cause the Sanlam Onshore Bond to fall within the definition of a Personal Portfolio Bond as defined in section 516 of The Income Tax (Trading and Other Income) Act 2005 (as amended or re-stated).
- c. No investment may be made which is incompatible with the investment objective or risk profile of the fund (as agreed by the Investment Manager with the accountholder(s)), as may be amended from time to time.
- d. The Investment Manager shall retain such margin of liquidity within the Sanlam Onshore Bond as is necessary for the purposes of meeting the charges and operating expenses of the fund, provision for taxation and other statutory levies, where appropriate, and the costs of managing and maintaining the investments and making payments to accountholder(s).
- e. The Company reserves the right, at its absolute discretion, to withhold or (on giving written notice) withdraw its agreement to invest in any class(es) or type(s) of assets.
- f. In the event that the Investment Manager enters into a purchase contract on behalf of the Company in respect of an asset that the Company, at its sole discretion, deems not to be permitted in accordance with this clause 4, the Company will request for that asset to be immediately re-sold and the Investment Manager shall immediately act upon that instruction.
- g. In the event that the Company suffers a financial loss as a result of the purchase and resale of an asset in the circumstances described in 4(f) above, the Investment Manager hereby agrees to indemnify the Company in respect of that loss.
- h. The Investment Manager may only undertake transactions to the value of the balance of the fund as notified to it. In the event that any transaction causes the fund to become overdrawn, the Company reserves the right to charge interest at bank-unauthorised overdraft rates.
- i. No asset in the fund shall be subject to any charge, lien, interest or used as security or otherwise encumbered except as permitted by the Regulators Handbook.

## 5. Supervision

- a. The Company reserves the right to:
  - i) investigate the reasons for any investment decision in the light of the investment objectives, policy and controls and operating instructions (whether or not the investment has been made); and
  - ii) instruct the Investment Manager or, at the Company's sole discretion, any stockbroker or fund manager immediately to dispose of any investment which the Company considers is not permitted for the Sanlam Onshore Bond in accordance with the Sanlam Onshore Bond terms and conditions or these terms. The Company's decision about whether any investment does, or does not, so conform shall be final and binding on all parties to this agreement.
- b. Subject to prior consent (which shall not be unreasonably withheld), the Company may, in pursuit of its rights and obligations under this agreement or in complying with any prudential guidance note issued by the Regulator, or HM Revenue & Customs (HMRC) requirements (but not otherwise), inspect the premises, systems, records, controls, compliance and audit reports of the investment manager.

## 6. Investment manager's remuneration

The Investment Manager shall be entitled to the fees set out in Schedule 1 and acknowledges that the Company shall not be liable in any respect for any fee or any part thereof which is, or becomes, payable by the accountholder. Provided that the accountholder has authorised the payment of charges from the Sanlam Onshore Bond, any charges which become due will be met from the Sanlam Onshore Bond's liquid assets. If there are no liquid assets in the Sanlam Onshore Bond, the charges will instead become due from, and payable by, the accountholder. The Investment Manager's remuneration will be deducted by the Platform in accordance with the Platform terms and conditions.

## 7. Records and documents

- a. The Investment Manager shall maintain such records and reports as are requisite and proper for the conduct of its duties under this agreement, and the Company (and its agents or auditors) shall be entitled (on giving reasonable notice) to access such records during the term of this agreement and for a period of two years following its termination. The Investment Manager shall forward forthwith to the Company any document, certificate or instrument belonging to the Company which comes into its possession, whether by way of performance of its duties under this agreement or otherwise.
- b. The Investment Manager hereby notifies the Company that telephone and electronic communications and conversations between the Investment Manager and the Company that result or may result in activities in financial instruments (as more particularly provided under the Regulator's Handbook) will be recorded. Records kept by the Investment Manager in accordance with this clause 7(b) will be kept for a period of 5 years (or up to 7 years on request from the FCA) and will be provided to the Company on request.
- c. The Investment Manager shall maintain, and at all times comply with, an appropriate disaster recovery plan, which shall comply with all relevant legislation and the Regulator's requirements. The disaster recovery plan shall be made available to the Company upon request.

## 8. Amendment

The Company reserves the right to amend the provisions of this agreement (including the schedule) without the prior agreement of the Investment Manager, if (in its sole opinion) it is necessary to do so to comply with any relevant statutory or regulatory requirements (including, without limitation, the Financial Services and Markets Act 2000 as amended or re-stated, the Regulator's Handbook and HMRC requirements), any statutory instrument thereunder and any prudential guidance notes issued by the Regulator.

## 9. Termination

- a. The Company or the Investment Manager may terminate this agreement immediately by giving written notice to the other party.
- b. This agreement will terminate automatically and immediately in the event that the authorisation of the Investment Manager to engage in discretionary investment management under the FSMA ceases or is suspended for any reason by the Regulator.
- c. This agreement will terminate automatically and immediately on the happening of any of the following events:  
In circumstances where the Investment Manager is a corporate entity:
  - i) A meeting of creditors is summoned to consider a proposal under Part I of the Insolvency Act 1986 as amended or re-stated (the 'Act') for a voluntary arrangement in connection with the investment manager.
  - ii) An application is made to the court under Part II of the Act for an administration order in respect of the investment manager.
  - iii) A receiver or administrative receiver is appointed in respect of the whole or any part of the investment manager's property under Part III of the Act.
  - iv) A resolution for the voluntary winding-up of the investment manager is passed or a petition for the winding-up of the investment manager is presented to the court, in accordance with Part IV of the Act.
- d. In circumstances where the investment manager is a partnership or a sole trader and where in respect of any partner in the partnership or the sole trader:
  - i) A proposal for a voluntary arrangement under Part VIII of the Act is put to a meeting of creditors.
  - ii) A petition for a bankruptcy order is presented to the court in accordance with Part IX of the Act.
- e. Any fee, as described in Section 6, will cease to accrue on termination of this agreement.
- f. Section 4 and the Platform's operating provisions will continue to apply in respect of any transaction in respect of the Sanlam Onshore Bond.

## 10. Indemnity

The Investment Manager shall be liable to the Company for any losses, claims, demands, damages, penalties, costs, actions, and tax charges or tax consequences which are incurred or suffered by the Company as a result of or in connection with any act or acts of negligence, fraud, wilful default, maladministration or breach of this agreement by the Investment Manager.

## 11. Complaints

The Investment Manager has in operation a complaints management policy in accordance with the Regulator's Handbook for the effective consideration and proper handling of complaints from customers. The Investment Manager's complaints management policy is available on request and/or may be obtained via the Investment Manager's website.

## 12. General

- a. The Investment Manager shall not publish any material of any description which directly or indirectly makes reference to the Sanlam Onshore Bond, without the prior written consent of the Company.
- b. The Investment Manager shall notify the Company forthwith on due occurrence of any of the events described in 9(c) or 9(d) above.
- c. Except as otherwise specified in this agreement, the parties may communicate by letter, email, telephone or any other method agreed between them. All communication shall be in English. Any notice given by either party under the terms of this agreement shall be in writing and, in the case of notices given by the Company, addressed to the Investment Manager as appropriate at his/her registered address or last known principal place of business and, in the case of notices given by the Investment Manager, addressed to the Company Secretary at: One Temple Quay, 1 Temple Back East, Bristol, BS1 6DZ.
- d. Nothing in this agreement shall be construed as an amendment to the rights and options of the policyholder under the Sanlam Onshore Bond or conveying on the Investment Manager power to act on behalf of the Company in any respect whatsoever, except as expressly provided in this agreement.
- f. All references to statutes, regulations and rules shall include any modification, re-enactment or replacement thereof, and any reference to the Regulator shall include any regulatory body which replaces it.
- g. This agreement contains the entire understanding of the parties to this agreement and supersedes all other agreements, understandings or arrangements between the parties concerning the management of the Sanlam Onshore Bond.
- h. For the avoidance of doubt, nothing in this agreement shall confer on any third party any benefit or the right to enforce any term of this agreement.
- i. This agreement shall be governed by, and construed in accordance with, the laws of England and the parties submit to the exclusive jurisdiction of the English courts.

**Schedule 1.**

**Investment Manager's remuneration**

This is as stated in the Sanlam Onshore Bond Application Form/Request to Appoint a New Investment Manager Form dated:

or as subsequently amended by written agreement between the accountholder and the Investment Manager and notified to the Company.

**Signed for and on behalf of Sanlam Life & Pensions UK Ltd**

Signature	<input type="text"/>		
Name	<input type="text"/>		
Title	<input type="text"/>	Date	<input type="text"/>

**Signed by the Investment Manager**

Signature	<input type="text"/>		
Name	<input type="text"/>		
Title	<input type="text"/>	Date	<input type="text"/>

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