

# The Sanlam Portal

## Terms and conditions

# Introducing the Sanlam Portal

We've designed the Sanlam Portal to enable you to access a range of products and investments through a single source and in a way which we think is open and transparent. It is brought to you by Sanlam Investments and Pensions, a trading name for Sanlam Financial Services UK Limited and Sanlam Life & Pensions UK Limited. Depending on the product you choose under the Sanlam Portal, one of these companies is your product provider under the Sanlam Portal. There may be different product providers as new products are introduced to the Sanlam Portal.

## Documentation

This document is important – you should read it carefully. It contains the detailed information you need to know about our services and how the Sanlam Portal operates. This document should be read together with the other important documents provided to you.

These should include:

- the application form(s) completed by you and your adviser;
- the applicable *Key features and product guide* document and *Personal illustration*;
- the charges and minima grid;
- the *Sanlam privacy statement*; and
- the *Key information document*, where applicable.

These are our standard *Terms and conditions* (terms) on which we intend to rely. For your own benefit and protection you should read these terms carefully. If you do not understand any point, please ask us or your adviser for further information. When you invest in any of our products under the Sanlam Portal we will take this as acceptance and agreement of our terms and you will be bound by them.

## Investment options

There are currently two ways to invest under the Sanlam Portal: the Model Portfolio Service and the Select Fund Service. These investment options are explained further in these terms. However, we may increase the investment options that we offer under the Sanlam Portal and we will give you

due notice when this happens. If you have selected the Model Portfolio Service then there will be additional documents for you to consider. These will be provided by your adviser and will set out the basis on which your adviser and your portfolio manager will provide Model Portfolio Services to you.

## Products

It is important for you to understand that we can only provide the Sanlam Portal in conjunction with one or more of our products. Therefore, to use the Sanlam Portal you must apply for one or more of our products. Once you have applied for one of our products you may choose to apply for more in the future, subject to your own personal circumstances and these terms.

This document is divided into sections where we set out the products we currently offer under the Sanlam Portal. We may offer new products under the Sanlam Portal which will also become subject to these terms. We will inform you as this arises.

- The first section is 'General terms'. This section contains the terms and conditions applicable to all the products and the operation of the Sanlam Portal generally.
- The second section is 'General Investment Account' (GIA). This section contains the terms and conditions which, in addition to the general terms, apply if you hold investments through the General Investment Account – they are referred to as the 'GIA terms'.
- The third section is 'ISA'. This section contains the terms and conditions which, in addition to the general terms, apply if you hold investments through the ISA – they are referred to as the 'ISA terms'.
- The fourth section is 'Personal Pension'. This section contains the terms and conditions which, in addition to the general terms, apply if you hold investments through the Personal Pension – they are referred to as the 'Personal Pension terms'.
- The fifth section is 'Onshore Bond'. This section contains the terms and conditions which, in addition to the general terms, apply if you hold investments through the Onshore Bond – they are referred to as the 'Onshore Bond terms'.

These are our standard terms on which we intend to rely. If you do not understand any point, please ask your adviser for further information. By signing the application form for a product, you are accepting and agreeing to the general terms and to the terms and conditions of one or more of the products, depending on which one(s) you have applied for, and you will be bound by them.

The terms and conditions of your entire agreement with us are contained in this document together with the accompanying documents. The accompanying documents are the *Key features and product guide* document, the charges and minima grid, your completed application form(s), a *Key information* document (Onshore Bond only) and your *Product illustration*. We refer to all of these documents together as the 'terms'. For the avoidance of doubt, the terms and conditions contained in this document will take precedence if there is any inconsistency or conflict between the terms contained in it and any term of any accompanying document or other document provided to you.

If you have any questions about our services, a product or the Sanlam Portal, please speak to your adviser.

- Sanlam Investments and Pensions is a trading name of Sanlam Life & Pensions UK Limited (SLP) and Sanlam Financial Services UK Limited (SFS).
- SLP is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority. The firm reference number is 110397.
- SFS is authorised and regulated by the Financial Conduct Authority. The firm reference number is 472783.

Both the FCA and the PRA are referred to as the Regulator throughout this document.

# Section 1 : General terms

This section of the document contains the terms and conditions applicable to all our services and the general operation of the Sanlam Portal.

## 1. Words and expressions

This section is a guide to the definition of words and expressions used throughout this document which, for the avoidance of doubt, covers the general terms, the GIA terms, the ISA terms, the Personal Pension terms and the Onshore Bond terms:

**Adviser:** the qualified and suitably regulated person whom you have appointed to provide you with financial advisory and management services and whom you have authorised to deal with us and your portfolio manager (as applicable) on your behalf and/or in respect of your product(s).

**Adviser fees:** ongoing adviser fees, initial adviser fees and ad hoc adviser fees, in each case as defined and identified in your adviser fee instruction.

**Adviser fee instruction:** the agreement and any subsequent agreement between you and your adviser relating to the payment of adviser fees to your adviser for their advice and ongoing services, and the facilitation of such fees by deduction from your product(s).

**Annual allowance:** has the meaning given under tax law. The amount of your annual allowance at any given time shall be calculated by reference to the prevailing rate in force at that time under tax law.

**Application form:** the application(s) in the form provided by us which must be completed by you and, as applicable, your adviser in order for us to provide you with services and product(s) including, but not limited to, any transfer authority.

**Asset(s):** asset or assets (including funds and securities) which are permitted by us or the product provider (as applicable) to be held by you or, as applicable, within your product and which may be bought and sold through the Sanlam Portal.

**Asset provider(s):** the person(s) whom we may select, appoint and use on your behalf to buy and sell assets. Details of the asset providers that we may use are available on request from your adviser.

**Authorised member payment:** a payment which a registered pension scheme is authorised to make to, or in respect of, its members under tax law.

**Bank:** an institution or bank authorised to hold client money which may be nominated by the relevant product provider. Details of the current bank nominated by Sanlam Financial Services UK Limited and Sanlam Life & Pensions UK Limited are available from your adviser.

**Beneficiary:** any person, including a nominee as defined in tax law and a dependant as defined in the rules, nominated by you to receive benefits on your death.

**Beneficiary's sub-account:** a sub-account in your member fund which is allocated to one of your beneficiaries after your death to provide them with benefits under the scheme.

**Business day:** any day on which we are open for business, being any full day on which banks, investment managers and the London Stock Exchange are open for business.

**Charges and minima grid:** part of the *Key features* document which, among other things, sets out the applicable fees and charges and minimum payment/balance amounts for each product.

**Client money account:** a ring-fenced bank account with our nominated bank which holds our clients' money, and in respect of which we may receive interest but from which no interest is payable to you.

**Continuing account of a deceased investor:** an ISA that continues to benefit from ISA tax advantages following the death of the ISA holder on or after 6 April 2018, as defined under the ISA regulations.

**Custodian(s):** the person(s) whom we may select, appoint and use on your behalf in accordance with these terms to provide you with custody and safekeeping services in respect of your assets held within either your GIA or ISA.

**Cut-off point:** our deadline for receipt of trade-related instructions for onward transmission to the asset provider to meet the next dealing point.

**Dealing point:** means the time up to which the relevant asset provider will accept trade-related instructions for an asset on a relevant business day.

**Drawdown pension:** as defined under tax law. Further details are set out in the Personal Pension terms.

**Fund:** a unit trust or open-ended investment company (or sub-fund of either of them) which is regulated by the Regulator and which we or a product provider (as applicable) permit as available for investment under the Sanlam Portal and within your product.

**General Investment Account or GIA:** a General Investment Account or 'GIA' which is made available through the Sanlam Portal but which does not offer any specific tax benefits.

**HMRC:** HM Revenue & Customs.

**Index:** the index of average weekly earnings for all employees in Great Britain that is published by HM Government.

**ISA:** individual savings account established in accordance with the ISA regulations

**ISA regulations:** the Individual Savings Account Regulations 1998 and all other rules and regulations relating to ISAs.

**The ISA:** Sanlam Financial Services UK Limited acts as ISA manager and is provided on terms set out in the general terms (as applicable) and the ISA terms.

**Key features and product guide document:** a document which incorporates the *Key features* document for the Sanlam Portal and the specific *Key features* document or *Product guide* for the GIA, ISA, Onshore Bond and Personal Pension.

**Lifetime annuity:** as defined under tax law.

**Life company:** Sanlam Life & Pensions UK Limited.

**Market volatility conditions:** conditions that we reasonably determine to constitute a period of market volatility and/or circumstances where we reasonably determine that a purchase or sale of assets by a portfolio manager may unfairly exploit the timing of market prices or may indicate a short-term trading strategy.

**Member:** the person who completed the application form for the scheme and in whose name it has been opened.

**Member fund:** the total value of payments to the scheme in addition to any transfers received on your behalf into the scheme, less any deductions due under the Personal Pension terms.

**Model portfolio:** one of a range of model portfolios each of which comprises a model portfolio of asset categories, asset allocations and the associated investment mandate for the relevant risk profile.

**Model Portfolio Service:** the service offered by your adviser, the portfolio manager and the relevant product provider in relation to a model portfolio selected by you for investment of your product, as described in paragraph 15 of the general terms.

**Onshore Bond:** an onshore life assurance bond issued by Sanlam Life & Pensions UK Limited under the Onshore Bond terms.

**Pension age:** an age chosen by the member. Currently it is any age after age 55 unless you have a protected pension age.

**Pension commencement lump sum:** as defined under tax law.

**Pension input period:** as defined under tax law.

**Payment date:** defined in the Personal Pension terms as the date(s) selected for the payment of benefits in respect of your Personal Pension.

**Pension sharing order:** as defined in the rules and which would apply to you on divorce or the dissolution of a civil partnership or on the nullity of a marriage or civil partnership.

**Personal Pension:** a personal pension in respect of which Sanlam Trustee Services UK Limited acts as trustee, Sanlam Life & Pensions UK Limited acts as provider of the pension scheme, and Sanlam Financial Services UK Limited acts as scheme administrator on the terms set out in Section 4 of the Personal Pension terms.

**Portfolio manager:** a third-party discretionary investment manager who has been selected and appointed to provide discretionary investment management of a model portfolio in accordance with the terms of business of the discretionary investment manager.

**Product:** products made available under the Sanlam Portal. Currently, these are the GIA, the ISA, the Personal Pension and the Onshore Bond. 'Product' means any or all such products as the context requires.

**Product account schedule:** the schedule issued by a product provider after acceptance of your application form, which sets out details such as commencement date of the product and amount of payment received.

**Product cash facility:** the cash facility incorporated into each product which is used for cash debits and credits and which is operated in accordance with all applicable rules of the Regulator.

**Product holdings:** the value of assets held within your product and the balance of cash held within the relevant product cash facility (including interest).

**Product provider:** in relation to the:

- GIA, this refers to Sanlam Financial Services UK Limited.
- ISA, this refers to Sanlam Financial Services UK Limited in its capacity as ISA manager.
- Personal Pension, this refers to Sanlam Life & Pensions UK Limited in its capacity as provider of the pension scheme and Sanlam Financial Services UK Limited in its capacity as scheme administrator and operator of the Personal Pension.
- Onshore Bond, this refers to Sanlam Life & Pensions UK Limited as provider of the life assurance policy.

**Regulator:** the Financial Conduct Authority (FCA) or Prudential Regulation Authority (PRA), as the context requires, or any superseding or successor authority or equivalent supervisory authority.

**Regulator's linking rules:** rules and guidance prescribed by the Regulator concerning the type of assets by which the value of a life assurance policy may be determined (these are set out in the Conduct of business rules contained within the Regulator's handbook).

**Regulator's rules:** legislation made under the Financial Services and Markets Act 2000 and the rules published by the Regulator.

**Restoration order:** an order under the Insolvency Act 1986 to restore excessive pension contributions to a bankrupt's estate.

**Re-registration:** to transfer the ownership of a particular asset from one provider to another without the need to liquidate or convert that asset to cash beforehand.

**Rules:** the trust deed and rules which govern the scheme.

**Sanlam Investments and Pensions:** a trading name for Sanlam Financial Services UK Limited and Sanlam Life & Pensions UK Limited.

**Sanlam Portal:** the service provided by Sanlam Financial Services UK Limited and the relevant product provider as set out in these terms and made available to you and your adviser through [www.sanlam.co.uk](http://www.sanlam.co.uk)

**Scheme:** the Sanlam Personal Retirement Scheme which is a registered pension scheme under Chapter 2, Part 4, Finance

Act 2004, in respect of which the Personal Pension terms apply.

**Scheme administrator:** Sanlam Financial Services UK Limited.

**Scheme trustee:** Sanlam Trustee Services UK Limited.

**Scheme provider:** Sanlam Life & Pensions UK Limited.

**Securities:** units or shares in funds and any other type of security.

**Select Fund Service:** as defined in paragraph 3.1.

**SPI:** Sanlam Private Investments (UK) Limited.

**Successor:** any person nominated by a beneficiary to receive benefits on their death.

**Tax law:** the Finance Act 2004 and regulations made under it and any subsequent relevant tax laws and regulations.

**Transfer authority:** the form provided by us which should be completed in respect of a proposed transfer of assets and/or cash to an ISA, GIA or Personal Pension under the Sanlam Portal.

**We and/or us and/or our:** Sanlam Financial Services UK Limited and/or the relevant product provider.

**You and/or your:** such terms to take their normal meaning and, in any event, to include the person(s) to whom services are to be provided as a consequence of having a product.

## 2. Interpretation of these terms

- 2.1 We refer to individual paragraphs within this document. While certain headings are used, these are used for ease of reference and to help you navigate this document and are not to be used for the purposes of interpreting the terms.
- 2.2 In these terms the singular includes the plural and vice versa and references in these terms to any gender shall include references to other genders.
- 2.3 References in these terms to any statute or statutory provision shall include that statute or statutory provision amended, modified, replaced or re-enacted (whether before or after the date of your agreement with us) in any order, regulation, instrument, by law or other subordinate legislation made under it.

### 3. Investment options: Model Portfolio Service or Select Fund Service

Currently you may choose from the following investment options in relation to each of the products – you may only select one of the investment options in respect of each of your products – it is not possible for both services to be operated in respect of the same product at the same time:

#### Model Portfolio Service

You may choose for your product to be invested in accordance with one of the model portfolios available under the Model Portfolio Service. We provide access to the model portfolio services offered by your portfolio manager. Your portfolio manager is appointed to implement the specific model portfolio selected by you. If, when managing your model portfolio, your portfolio manager wishes to undertake a transaction, which may include (but is not limited to) a rebalancing of assets or switching assets within a model portfolio, we will take instructions from your portfolio manager and place orders with the asset provider to buy and/or sell assets based on those instructions. The operation of the Model Portfolio Service is described further in paragraph 15.

#### Select Fund Service

You may invest in one or more of the SIP Active Fund Range available under the Sanlam Portal and/or other funds available under the Select Fund Service. We will take instructions from you or your adviser (acting on your behalf) and will place orders with the asset provider to buy and/or sell shares in the funds based on those instructions. Please note that the fund range available under the Model Portfolio Service is not necessarily available under the Select Fund Service.

### 4. Applying for one or more of our products

#### Application forms

- 4.1 The relevant application form must be completed to open each of our products.
- 4.2 It is your responsibility to ensure the information you provide to us is correct. We are entitled to rely upon the information in your application form and to assume that it is valid and correct. If we think that any application form we receive is incomplete or unclear we will try to resolve it with your adviser, however this may cause considerable delay in the establishment of your product. If we do not have the information we

need to process your application and that information cannot be obtained within seven business days of receipt of your application form, we may return your application form to your adviser and your monies to the bank or building society account where it came from.

- 4.3 We may at any time and in our absolute discretion decide to reject any and all of your application(s), particularly if we believe that you are not eligible under the product terms, or the acceptance of such application would constitute a breach of our terms or a breach of applicable law or regulation.
- 4.4 We will provide services to you once we have:
  - received your application form(s) (as applicable for the product(s) you are applying for) signed by you and your adviser, completed to our satisfaction;
  - received your cleared funds;
  - completed anti-money laundering checks; and
  - received your authority to facilitate payment of adviser fees, if applicable, to our satisfaction.

#### Re-registration

- 4.5 We can accept re-registrations to ISAs (from other ISAs) and GIAs (from other investment accounts) under the Sanlam Portal via our online application process only. This facility is not currently available for the Onshore Bond or Personal Pension. Re-registration means that funds can be transferred from an existing ISA or another investment account to a product under the Sanlam Portal without being sold, and will be held by the custodian subject to our instruction. If you decide to transfer funds held in an ISA or funds held directly by you or with another ISA manager or investment account provider, you will be required to complete the relevant transfer authority form(s) as prescribed by us. If you request a transfer of a fund which cannot be re-registered, your investment will be sold by your existing ISA manager or investment account provider. The cash proceeds we receive and any other cash held in your existing ISA and/or investment account will be held in a designated



client money account until we have received the transferring funds (the cash and assets to be re-registered). Please note that no interest will be paid on the cash proceeds while held in the designated client money account. The cash will then either be invested in accordance with your instructions in the relevant product application form, or will be credited to the relevant product cash facility pending further investment instructions, as specified by you in the transfer authority form(s).

Please note that the designated client money account is a different account to that operated in respect of the cash held in the product cash facility which is described further in paragraph 18.3.

- 4.6 By completing the relevant transfer authority form(s) you will be agreeing to meet the costs of the ceding provider in respect of any re-registration transfers which may arise. Any costs will be deducted by your ceding provider prior to the transfer. Further details are set out in the GIA terms and the ISA terms below.
- 4.7 Where assets in your existing ISA and/or investment account are transferred by re-registration, your whole ISA and/or investment account (which may include both investments and cash balances) will be transferred to us. This may mean that your existing ISA or investment account is closed. You will not be able to access your transferred funds until all the assets in your existing ISA and/or investment account have been transferred to us. You may be exposed to market movements during this time, which may work to your advantage or disadvantage. We will not be responsible for any losses you may incur in this respect, unless a loss has arisen as a result of our fraud, negligence or wilful default or as a result of our breach of the regulator's rules.
- 4.8 If we receive an instruction to process a re-registration of an existing ISA and/or investment account and we are subsequently notified of your death before we have received all relevant assets, we would usually expect the re-registration and transfer of assets to complete, following which your product will be administered in accordance with the GIA terms and/or ISA terms below.

## Other methods of payment

- 4.9 Each application form must be submitted with a cheque or bank (BACS, Faster Payments or CHAPS) transfer or, in the case of a transfer to your Personal Pension, your authority for the transfer to proceed and a fully and correctly completed Direct Debit instruction (if applicable).
- 4.10 Any cheques submitted with your application form may take a while to clear (up to six days). Investment instructions will not be transmitted by us until cheques have cleared and monies are available within the product cash facility for transfer to the custodian. We cannot be held responsible for any losses which may arise, including from market movements, while we resolve any issues with your application and/or wait for cheques to clear.
- 4.11 If you would like to invest via the Sanlam Portal on a regular basis you will need to complete the Direct Debit mandate in the relevant application form. We will request that payments are made from your bank or building society account at the frequency selected by you in the application form. You will understand that we cannot be held responsible for any payments that are rejected by your bank or building society. You should note that where there has been a failure with Direct Debit we will, if possible, attempt one more instruction to your bank or building society.
- 4.12 You should note that we will continue to collect your payments by Direct Debit until we receive your written instructions to stop or are unable to collect a payment for any reason. You may reduce, increase or stop your regular payments. However, if you wish to do so, we must receive written notice of any changes to your Direct Debit at least 10 business days before the next payment is due or we may not be able to stop that payment going through.
- 4.13 Please note that any payments must meet our minimum requirements applicable for each product – details are set out in the charges and minima grid.



## Product account schedule

- 4.14 You will receive a product account schedule after we have accepted your application form and received your cleared funds. We may issue a new or revised product account schedule on each occasion that cleared funds are received (save where regular payments have been established) and as we think appropriate.
- 4.15 In addition to the product account schedule, you may receive product payment summaries as appropriate. These documents may refer to 'accounts' or 'sub-accounts'. We use these terms for our own accounting and administrative purposes to simplify how we group monies or assets within a product. This does not confer any rights to an account or sub-account and should not be understood as granting any rights beyond the terms and conditions of a product.

## 5. Changing your mind

- 5.1 When we confirm we have received your application form, you will have 30 days from the date you receive that notice to cancel your arrangements with us. You must sign and return the cancellation notice to us within that time. If you decide to cancel your regular contribution or subscription, we will return your money to you. If you decide to cancel your single contribution or subscription, we will return your money but if this has already been invested by the time you tell us to cancel your arrangement with us, we may make a deduction for any loss which arises from the sale of your investments. This may mean that you receive less than the original amount you placed with us.
- 5.2 For products which are held in joint names we require all applicants and authorised signatories to sign cancellation notices to effect cancellation. The cancellation notices for all our products must be sent to our address set out in paragraph 46 of these general terms.
- 5.3 In the case of an ISA transfer and for all re-registrations (GIA and/or ISA), you will not be able to reverse the transfer but you will be able to close your account or transfer it to the original or another ISA manager or

investment manager, provided they agree to accept it. It will be your responsibility to contact the other ISA manager/investment manager to make arrangements to transfer your account.

- 5.4 We will deduct any payments that we may have made to your adviser when returning your monies following cancellation. However, any charges made by third parties such as the relevant asset provider will be excluded. You may still be liable to pay your adviser under the agreement you have with them. You should note that in the case of pension transfers to your Personal Pension, any adviser fees will be recovered from your adviser and you will remain responsible for payment of these adviser fees.
- 5.5 When you acquire certain assets, cancellation rights may not apply to them and we will not be able to complete the closure of a product until all of the relevant assets have been sold. Such assets may also delay the cancellation of your product and may result in a significant delay before realising the proceeds of your investment.

## 6. Your classification

We are required by the regulator to give you a specific client classification. We have classified you as a 'retail client', which generally attracts the highest level of protection under the financial services regulatory regime in the UK.

## 7. Our responsibilities

- 7.1 We will be responsible for providing services to you in accordance with the applicable terms set out in this document and in accordance with the regulator's rules. However, it is important for you to understand that neither we nor any product provider are permitted, nor agree, to provide investment advice and will not be responsible for advising you on any matter, including whether:
- you should use our services or utilise the Sanlam Portal;
  - you should use the services of a portfolio manager;
  - you should invest in the Select Fund Service or the Model Portfolio Service or any other investment option that may be available;

- a specific model portfolio is suitable for you;
- you should invest in a particular asset; or
- a particular product is suitable for you, including adding more money to a product you already hold.

7.2 In each of the cases referred to above and in respect of any other advice you may need, you should consult your adviser who will be able to help you.

## 8. Appointing your adviser

8.1 We will normally only provide services to you and make the Sanlam Portal available if you have appointed an adviser who is registered with us and has accepted our *Terms of business for intermediaries*. Where applicable, we will ask your adviser to confirm that this is the case and, if necessary, provide relevant documentary evidence. If the Model Portfolio Service applies, you or your adviser must also have agreed to the terms of business applicable to your portfolio manager.

8.2 If you wish to change your adviser, you must do so by confirming this in writing to us. We will then check whether that adviser is registered with us. Any new adviser may only provide services to you through the Sanlam Portal if you have appointed that adviser and they are registered with us and have accepted our *Terms of business for intermediaries*. We will ask your new adviser to confirm that this is the case and, if necessary, provide relevant documentary evidence. If the Model Portfolio Service applies, your new adviser must also have agreed to the terms of business (and investment mandate agreement) with your portfolio manager. We will let you know if we are able to deal with any new adviser as soon as we can.

8.3 You may only appoint one adviser to act for you and on your behalf in respect of all your products in the Sanlam Portal.

8.4 If you notify us you no longer have an adviser, we will remind you of the restrictions and limitations this places on your product holdings and we will request that you

appoint a new adviser as soon as possible. You must be aware that you will continue to incur charges as applicable under the Sanlam Portal and for your product during this time. You may decide to terminate your arrangements with us and, except in the case of the Personal Pension, you may ask us to close your products and we will return any monies due to you.

8.5 Please contact us at the address set out in paragraph 46 if you need to find a new adviser.

## 9. Information provided by you or your adviser

9.1 We will rely on the information that you provide to us – whether that information has been provided directly by you or through your adviser. This includes information contained in your application form. You represent to us that this information is true, accurate and complete and that you have not left out any information which may be important given the services you are looking to receive from us.

9.2 You understand that we cannot be held responsible if the information you have provided to us and which we have relied on is inaccurate or incorrect in any way. Please notify us in writing as soon as you can if any information you have provided to us needs to be updated.

## 10. Certain directions to be provided by you (not your adviser)

There are certain instructions which we will not accept from your adviser alone. We require these instructions from all relevant signatories and forwarded to us, where appropriate, with relevant supporting documentation including in the following circumstances:

- change of name;
- any increase in remuneration to be paid to your adviser and/or portfolio manager;
- any changes to the owner or named beneficiary of products;
- any changes to your nominated bank or building society account; and
- any instruction to close any of your products or to transfer your personal pension.

## 11. Your adviser's authorities

11.1 You agree and you represent to us that your adviser is duly authorised by you to provide us with instructions on your behalf. This means that we will act on those instructions as if they had come directly from you and you will be bound by the consequences of those instructions. You agree and represent to us that the authority that you have provided to your adviser includes all authorities necessary to operate the Sanlam Portal and to deal with us as provided in these terms, including:

- authority to instruct us and for us to be instructed to appoint third parties to provide services to you on your behalf (such as the asset provider(s) and the custodian(s));
- to buy and/or sell assets;
- to effect partial or full withdrawals; and
- to provide us with updated details concerning your position.

11.2 In our dealings with your adviser and, if applicable, your portfolio manager, we will accept instructions and, based on those instructions, transmit orders to third parties, including the asset provider(s) and custodian(s). This means that our dealings with those third parties on your behalf will be binding on you. Once orders have been transmitted to either the asset provider(s) or the custodian(s), these parties will be responsible for processing and carrying out the orders. You will appreciate that unless we have been negligent, fraudulent or dishonest in any way, we cannot be held responsible for anything the asset provider(s) or custodian(s) do or fail to do.

11.3 You agree to accept full responsibility for all instructions placed, whether they derive from you or your portfolio manager or your adviser, and therefore you accept all and any liability in that respect. Further, you release us from any liability for executing or transmitting instructions which either you, your adviser or your portfolio manager places using our services and through the Sanlam Portal except for any losses or damages arising directly from our negligence, fraud or wilful default.

## 12. Website access

Once your application has been received and approved by us and we have confirmed with your adviser that we can provide services to you, your adviser will be granted access to a range of information online regarding your product holdings. This access will be subject to our website terms of use and confidentiality provisions.

## 13. Arranging transactions

### Trading instructions

13.1 Your adviser, you, or your portfolio manager may submit instructions (in a form prescribed by us which may be by letter or fax or, subject to our prior written agreement, electronically) for a transaction to buy or sell assets for your product(s) or other investment transaction for your product. All instructions must fall within one of the investment service options under the Sanlam Portal.

13.2 Whenever we receive an instruction to buy or sell assets, we will as your agent or, as applicable, the agent of the relevant product provider, transmit that order, as appropriate, to the asset provider(s) who will be responsible for concluding the transaction or arranging for that transaction to be concluded.

13.3 If we receive any communication which appears to be an investment instruction but seems unclear or incomplete, we will, at our discretion, delay any action on our part (such as onward transmission of that order for the buying or selling of any assets) while we try to obtain any missing information or further clarification from either you, your adviser or, if applicable, your portfolio manager. We may at our absolute discretion reject any instruction if, having received that communication, we have not been able to obtain the missing information or clarification promptly.

### Cleared funds required prior to transmission of trading instructions

13.4 We will not be bound to transmit any order in respect of any transaction for you or on your behalf if there is insufficient cash credited to the relevant product cash facility. You and your adviser must ensure that you have sufficient funds to meet your investment selections. If we

do not process your instructions because there are insufficient funds, then we will not transmit any orders and your adviser will be so informed. Consequently, your adviser must submit a new instruction when further funds have been provided.

#### **Power to sell without notice**

- 13.5 We may, in our absolute discretion, sell or realise any of the assets held in respect of your product(s) where any current or future legal or regulatory requirement means that a specific asset is no longer permitted to be held within a relevant product.

#### **Fund trading instructions**

- 13.6 Provided we receive the instruction before the cut-off point, we will normally forward the trade to the asset provider no later than the following business day. Where reasonably possible, we will endeavour to forward the trade on the same business day that we receive the instruction – subject at all times to the requirements of the asset provider(s) and custodian(s).
- 13.7 In certain limited circumstances, a transaction in funds may be delayed – for example, because of the conduct of the asset provider(s) and/or any investment platform and/or fund manager where orders are placed or where the asset provider(s) (and/or any investment platform and/or fund manager where orders are placed) has imposed a minimum transaction amount. If that should occur, we will let you or your adviser know as appropriate. This could mean that you are out of the market for a few days, which may work to your advantage or disadvantage. We will not be responsible for any losses you or your product might incur in this respect, except where such loss has arisen as a result of our fraud, negligence or wilful default or as a result of our breach of the regulator's rules.
- 13.8 We may decline to act on any instruction or communication if we reasonably believe that to do so would give rise to a breach of law or HMRC practice.

#### **Aggregation of orders**

- 13.9 The asset provider(s) may aggregate the orders received from us with

other orders it may receive in respect of a particular asset. If that occurs, the price and the charges on all orders will be aggregated and apportioned across all clients of the asset provider on a pro rata basis. This will not, however, apply in relation to any separate order placed for the purposes of the reinvestment of income or reversing or correcting previous orders.

#### **14. Order execution policy**

We maintain a document which sets out our best execution policy and is in accordance with our obligations under the regulator's rules. The full policy is available on request. We do not execute transactions but we transmit orders to the asset provider who will then, in accordance with their own best execution policy, either execute the transaction or transmit the order on to be executed on your behalf. We transmit orders and aggregate them in accordance with our policy to ensure that we obtain the best possible result for you. The execution policy of the asset provider(s) is also available on request (if applicable).

#### **15. Model Portfolio Service conditions**

- 15.1 This section of the general terms sets out the terms and conditions of the Model Portfolio Service. It explains what is meant by the Model Portfolio Service how it affects you, and your investment under a product.
- 15.2 If you have selected the Model Portfolio Service, whether in the application form for a product or in respect of a product and we have accepted your instruction, the terms and conditions set out in paragraph 15 apply to you.
- 15.3 Your adviser and portfolio manager will provide additional documents such as their terms of business, setting out the basis on which they will provide the Model Portfolio Service. Please speak to your adviser if you have not received these documents.

#### **Who is involved in the Model Portfolio Service?**

- 15.4 The Model Portfolio Service involves your adviser, the portfolio manager and us or the relevant product provider. The service will include the following steps:
- (a) Your adviser identifies a range of model portfolios from which

you select one that is appropriate to your circumstances and risk profile as agreed and assessed between you and your adviser.

(b) The appointed portfolio manager provides discretionary investment management of the model portfolio on your behalf and on behalf of any other clients of your adviser who have also chosen the Model Portfolio Service.

(c) The product provider agrees, subject to these terms, that your product will be invested in assets selected by the portfolio manager for the relevant model portfolio that you have chosen for a product.

#### **Model portfolio selection**

15.5 Your adviser will select which model portfolio is appropriate for you in light of factors such as your age, financial circumstances and attitude to investment risk.

15.6 You and your adviser may agree that the model portfolio should be changed occasionally to a different model portfolio. Which model portfolio you select is a matter determined solely between you and your adviser. We will not at any time participate in any discussion or communication regarding the nature, determination, assessment or suitability of a model portfolio.

#### **Appointment and authority of the portfolio manager**

15.7 For the duration of their appointment under the Model Portfolio Service, the portfolio manager will select, monitor and review the assets that comprise the model portfolio in which your product is invested.

15.8 The portfolio manager will have sole and exclusive authority to select the assets for the model portfolio (within the agreed investment mandate for the model portfolio) and to switch between assets and to determine the proportion of assets without prior consultation with you or your adviser. The portfolio manager will occasionally provide us with buy, sell or switch instructions in relation to the assets and the proportion of such assets that make up the relevant model portfolio.

15.9 Throughout the Model Portfolio Service you will not be able to exercise any option to select assets or switch between the assets or their proportions (as otherwise may be permitted or provided under the terms of your product). As a result, you will not be able to issue any investment instructions for your product once you have chosen the Model Portfolio Service.

#### **Potential consequences of the Model Portfolio Service**

15.10 The portfolio manager may act not only on your behalf but also on behalf of any other clients who have chosen the Model Portfolio Service. As a result, we or the relevant product provider will be entitled to impose restrictions and cut-off deadlines for instructions from the portfolio manager as appropriate. Please note that each time the portfolio manager switches assets for certain products such as the GIA, this may give rise to a potential capital gains tax liability for you.

15.11 Under the Model Portfolio Service, we (or the relevant product provider) reserve the right to delay, suspend or refrain from carrying out a trading instruction from the portfolio manager if market volatility conditions prevail. These circumstances may also cause a delay in any withdrawal or partial withdrawal from your product and may affect the value of your product.

#### **Reputation of your portfolio manager**

15.12 Discretionary investment management of a model portfolio is provided solely by the portfolio manager and we cannot be held responsible for such a service. We make no representation or warranty as to the service provided by your portfolio manager or their decisions, selections or any instructions made by the portfolio manager for a model portfolio. Accordingly, we will not at any time participate in any discussions or communications regarding the nature, determination or assessment of discretionary investment management by the portfolio manager. If you have a complaint about the service provided by the portfolio manager, please contact us and we shall promptly refer your complaint to the portfolio manager.



## Our role is limited

- 15.13 To be clear, we will not (nor will the product provider if different) provide you with any discretionary management service, any investment advice or any personal recommendation in respect of any model portfolio and we do not provide any general financial planning services. Your adviser will agree with you the suitable model portfolio for you and will, as appropriate, transmit all relevant instructions through us. In making this service available to you, we cannot accept instructions from you or your adviser for any investment transactions, in particular any 'one-off' or 'ad hoc' transactions in respect of a model portfolio.
- 15.14 Throughout the Model Portfolio Service, you may not make transfers or contributions to your product by means of a re-registration of assets.
- 15.15 You should note that the assets that may comprise a model portfolio may be limited under the Model Portfolio Service. You should speak to your adviser about the range of assets available for the management of your model portfolio and the implications of any limitations or restrictions. The model portfolio may consist of funds which may include unit trusts or open-ended investment companies which are managed and/or operated by companies with the Sanlam Group or in which a member of the Sanlam Group may be interested. Please refer to our Conflicts of Interest Policy which is available on request. Your adviser will provide further details if applicable.
- 15.16 Acting as your agent, we will appoint a portfolio manager on your behalf where you or your adviser do not do so. In exceptional circumstances we may terminate the appointment of the Portfolio Manager on your behalf where this is necessary for reasons such as investment management performance and appoint a new portfolio manager.

## Withdrawals under your product during the Model Portfolio Service

- 15.17 Throughout the Model Portfolio Service, any withdrawals or partial withdrawals that may be permitted according to the terms of your product are subject to the overriding

condition that this will be applied automatically in proportion to all assets in which your product is invested. You may not therefore exercise any option to select which assets to withdraw from, nor the proportions in which to withdraw or liquidate assets as may be provided in accordance with the terms of the relevant product.

## Opting out of the Model Portfolio Service

- 15.18 You may choose to withdraw from the Model Portfolio Service at any time without penalty. If you wish to do this, you must choose as an alternative the Select Fund Service or another investment service we may make available under the Sanlam Portal. You must give written notice and instructions to us and to your adviser if you wish to opt out. We will confirm the date upon which the Model Portfolio Service ceases to apply to your product (the 'opt-out date'). We draw to your attention that notwithstanding your withdrawal from the Model Portfolio Service, the terms and conditions of the relevant product you have with us will remain in full force and effect (in addition to the general terms).
- 15.19 From the opt-out date, your product will remain invested in the selection of assets last chosen by the portfolio manager and that we accepted and processed prior to the opt-out date. This will continue until we receive your selection and instructions under the Select Fund Service (or under another investment service available under the Sanlam Portal).

## Modification or suspension of the Model Portfolio Service

- 15.20 We may choose to withdraw, suspend, modify or restrict access to the Model Portfolio Service upon one month's prior written notice if, in our reasonable opinion, it is necessary to do so for operational or administrative reasons, or if we are required to do so for legislative or regulatory reasons. Notwithstanding our withdrawal or restriction of the Model Portfolio Service, the terms and conditions relevant to your product (and the general terms) will continue to remain in full force and effect and the Select Fund Service (or another investment service we make available under the Sanlam Portal) will apply.

## Portfolio manager remuneration

- 15.21 Your portfolio manager will charge a fee for their discretionary management services. This will be disclosed to you by your adviser. We will deduct the fee from the model portfolio(s) monthly in arrears.

## 16. Ownership of product holdings

- 16.1 Product holdings within your GIA and, if applicable, your ISA are owned by you. While providing the GIA and the ISA, we have arranged for the custodian to provide you with custody and safekeeping services in respect of your product holdings.
- 16.2 If you have selected the Onshore Bond, the product holdings are owned by Sanlam Life & Pensions UK Limited. Please refer to the Onshore Bond terms which set out how the benefits payable under the Onshore Bond are linked to the value of product holdings held under that bond.
- 16.3 If you select the Personal Pension, the product holdings subject to the Personal Pension are legally and beneficially owned by Sanlam Life & Pensions UK Limited. You will have a contractual right to the benefits payable under the Personal Pension. Please refer to the Personal Pension terms which set out how the benefits payable under the Personal Pension are linked to the value of product holdings held under that Personal Pension.
- 16.4 You may not use the assets in which any of your products are invested as security for a loan or create any legal charge, lien or security interest over them. You are not entitled to transfer or assign any interest in any of the assets held within any of your products except in accordance with the terms of the relevant product. Otherwise this may result in the closure of your product.

## 17. The custodian's appointment and terms

- 17.1 This section explains the basis on which the custodian has been appointed to provide custody services in respect of the assets held in your ISA and/or GIA. These terms only apply to you if you have an ISA and/or GIA.
- 17.2 We will arrange for third parties selected by us to provide custody

services to you. By opening and/or continuing to use your GIA and/or ISA, you authorise us to arrange for third parties selected by us (referred to here as an 'appointed custodian') to provide you with custody, safekeeping, settlement and any and all related services as we may determine which include, without limitation, all necessary power and authority to do the following on your behalf (as your agent):

- (a) agree the terms of the contract under which the appointed custodian will provide you services and enter into that contract;
- (b) issue instructions to the appointed custodian and receive instructions from that appointed custodian;
- (c) give any consents, authorities and permissions to the appointed custodian as may be determined by us and required for the operation of the Sanlam Portal and the provision of our services to you;
- (d) give any warranties, representations and undertakings to the appointed custodian where we, acting reasonably, believe we can give such warranties, representations and undertakings and such warranties, representations and undertakings are reasonable and in line with general market practice given the context in which they are given;
- (e) agree to indemnities and other provisions under which you may become liable to meet certain costs and liabilities of the appointed custodian where we, acting reasonably, believe we can agree on your behalf to such indemnities and other provisions;
- (f) agree to amendments to the terms of any existing contract with an appointed custodian;
- (g) receive notices, statements and reports and other communications to you from the appointed custodian as the appointed custodian's client (including, without limitation, notices of variation to the terms of the contract under which the appointed custodian provides services to you) on the basis that



we then notify you and/or your adviser of such notice;

- (h) enter into any assignment and/or novation of any existing contract with an appointed custodian to effect the appointment of an alternative custodian selected by us and make arrangements for your assets (including, for the avoidance of doubt, cash) to be transferred to an alternative custodian;
- (i) terminate an existing contract with an appointed custodian and make arrangements for your assets (including, for the avoidance of doubt, cash) held by that appointed custodian to be transferred to an alternative custodian selected by us; and
- (j) subject only to our obtaining the relevant regulatory permissions, terminate an existing contract with an appointed custodian and make arrangements for your assets (including, for the avoidance of doubt, cash) held by that third party to be transferred to us on the basis of a contract between you and us that is on terms the same as or better than the terms of the relevant applicable custodian.

17.3 Before arranging for the transfer of your assets from an appointed custodian to either us (as contemplated under paragraph (j) above) or an alternative appointed custodian as contemplated in paragraphs (h) and (i) above, we shall give you at least 30 days' written notice. If you object to the transfer, you may terminate your agreement with us. We will not make any charge if, in these circumstances, you transfer to another provider or if you terminate your agreement with us within 60 days of receiving a notice from us under this paragraph 17.3.

17.4 While exercising the permissions and authorities granted to us by you under paragraph 17.2, we shall, at all times, act in accordance with all laws and the regulator's rules that are applicable to us.

17.5 The details of the appointed custodian(s) that currently provides custody, safekeeping and/or settlement services to you and the terms of the contract between you and that appointed custodian in

relation to such services are below. The charge for the custody services are included in the Portal fee as explained below in paragraph 19 below ('Our product charges').

#### **SPI custody terms**

17.6 We have appointed SPI to provide custody services for your ISA and/or GIA on the basis that SPI will be directly responsible to you for the provision of that custody service. The terms below (the 'custody terms') set out the basis on which SPI agrees to provide custody services to you, which constitutes the terms of a separate legal agreement between SPI and you. Therefore, as between you and SPI, you are legally bound to the custody terms.

17.7 SPI is authorised and regulated by the FCA. SPI's firm reference number is 122588. SPI will treat you as a retail client for regulatory purposes, giving you the highest level of regulatory protection available. All of SPI's communications with you will be conducted through us. All communications will be in English.

17.8 These custody terms take effect between SPI and you from the point SPI first receives your assets and/or client money to hold on your behalf. These custody terms will continue to apply in relation to you until terminated in accordance with paragraph 26 below ('Closing your product') and/or terminated in accordance with these custody terms. SPI will act on our instructions (we act as your agent) in providing its services under these custody terms.

#### **Responsibilities of SPI**

17.9 SPI will provide the following services to you in connection with the provision of the GIA and the ISA ('custody services'):

- (a) hold all assets or arrange for them to be held in safe custody;
- (b) collect all distributions and other entitlements arising on assets and account for them to you;
- (c) settle transactions to acquire or dispose of assets on our instructions and use monies provided for such purpose by you;
- (d) inform us of corporate actions and other events affecting assets;

	(e) hold money on your behalf where required for the purposes of providing the above services; and		If SPI were to become insolvent, any shortfall in funds or assets so registered would be shared pro rata among the customers concerned.
	(f) transfer all assets and/or money held on your behalf to you and/or as we may direct, including on termination of the appointment of SPI under these custody terms.	17.14	Where instructed to do so, or where SPI considers it in your best interests, SPI may arrange for a third party to provide custody and/or settlement services in relation to assets. Where the third party is in the same corporate group as SPI, SPI will be responsible for the service provided by the third party to the same extent as if the service had been provided by SPI itself.
17.10	SPI will use all reasonable care and due diligence and will comply with all laws and the regulator's rules applicable to it in the provision of the custody services. SPI will maintain adequate professional indemnity insurance cover in accordance with good business practice in respect of its custody operations.	17.15	Where services are provided by a third party (also known as a sub-custodian) which is not in the same corporate group as SPI, SPI will exercise reasonable care and due diligence in the selection and appointment of that third party and for monitoring its performance. SPI does not guarantee the proper performance of the third party and will not itself be responsible if the third party fails to meet its obligations (unless that has been as a direct result of SPI's own negligence, wilful default of fraud). This means that if the third party defaults or becomes insolvent, you may lose some or all of your assets and you will not necessarily be entitled to compensation from SPI. As at the date of these terms, SPI has appointed Cofunds Limited as a sub-custodian in respect of holdings in funds and may appoint other third parties. You can obtain details of any such third party from us on request.
17.11	When providing its custody services, SPI will not lend or deposit (by way of collateral or otherwise) the assets with any third party. No money may be borrowed against the security of any assets held by SPI.		
<b>Your responsibilities</b>			
17.12	You shall ensure that each asset that SPI is responsible for holding under these custody terms is free from any rights in favour of any third party (including but not limited to rights granted to a creditor or beneficial interest under a trust), except for:		
	(a) rights in favour of SPI and/or any third party engaged by SPI under these custody terms as permitted under the regulator's rules;		
	(b) rights of beneficiaries under an express trust that are notified to and acknowledged by SPI pursuant to these custody terms; and	17.16	Where SPI provides services in respect of assets which are held by a third party in, or which are subject to, the law or market practice of a country outside the United Kingdom, the settlement and legal and regulatory requirements in the relevant overseas jurisdiction may be different from those in the United Kingdom and there may be different practices for the separate identification of securities and/or other investments.
	(c) rights in favour of a third party which arise in the normal course of a transaction settled by SPI and/or any third party appointed by SPI as contemplated by these custody terms.		
<b>Custody of investments</b>			
17.13	Where SPI holds assets itself, it will arrange for the title to those assets to be registered or recorded in the name of its nominee company controlled by SPI as bare trustee for you. Assets will be registered collectively in the same name for all customers and therefore individual entitlements may not be identifiable by separate certificates or other physical documents of title.	17.17	SPI will accept instructions given on your behalf in accordance with the arrangements in place with SFS but will not accept instructions directly from you or your adviser unless it is required to do so under applicable laws and/or the regulator's rules. SPI will provide you with periodic

statements of your assets and any client money it holds at least once a year in accordance with the regulator's rules. We will deliver this to you and liaise with your adviser. Records of all transactions entered into for your account, or for the account of your product, will be maintained and made available on request. This may be subject to providing proof of identity to the reasonable satisfaction of SPI.

### **Client money**

- 17.18 If SPI holds client money, it will hold such client money in one or more client bank accounts with one or more deposit takers in accordance with the regulator's rules. If client money is required to settle transactions it will be held in a separate bank account on which no interest will be paid.
- 17.19 In the event of a failure of a third-party deposit taker, client money will be pooled with other client money of the deposit taker and then distributed rateably. You may be eligible to claim compensation for any subsequent shortfall under the Financial Services Compensation Scheme (FSCS) up to the applicable maximum. Further details are set out in paragraph 33 below ('Your protection'). SPI may arrange for client money to be held in a bank outside the United Kingdom. Where it does so, your rights in relation to that money will differ from those applicable under the United Kingdom regulatory regime.

### **Conflicts of interest**

- 17.20 SPI has adopted a policy with a view to ensuring that in any situation in which its interests conflict with you, us and/or advisers, all parties are treated fairly and in accordance with applicable regulator's rules. Further details of SPI's conflict of interest policy are available on request.

### **Limits on liability**

- 17.21 Neither SPI nor you will be liable to the other under or in connection with these custody terms for any loss of profit; loss of revenue, loss of production or loss of business (in each case whether direct, indirect or losses that are not directly associated); loss of goodwill, loss of reputation or loss of opportunity; or loss of anticipated savings or loss of margin.

- 17.22 SPI and you will only be liable for costs which are incurred as a direct consequence of the event which led to the other making a claim under these custody terms. SPI will not be liable for any inaccurate, misleading or unfair information issued or produced by us, advisers or portfolio managers. Nothing in these custody terms will exclude or limit liability for death, personal injury, fraud or any other kind of liability that by law or under the regulator's rules cannot be limited or excluded. SPI and you will take reasonable steps to mitigate any loss for which the other may be liable under these custody terms. Neither SPI nor you will be liable under or in connection with these custody terms for any breach of these custody terms resulting from any reason or circumstances beyond the reasonable control of SPI or, as the case may be, you.

### **Complaints**

- 17.23 If you have any questions or comments in relation to the custody services, these should be raised in the first instance with us. Details are set out below in paragraph 32 ('If you have a complaint').
- 17.24 SPI is covered by the FSCS. You may be entitled to compensation from the scheme up to the permitted maximum if SPI cannot meet its obligations. Further information about compensation arrangements is set out in paragraph 33 below ('Your protection') and from Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU. Telephone: 0800 678 1100/ 020 7741 4100.

### **Variation**

- 17.25 SPI may change these custody terms by giving you at least 30 days' written notice, unless shorter notice is required to comply with the regulator's rules. This would be for reasons such as: to take account of changes in legal, tax or regulatory requirements; to fix any errors, inaccuracies or ambiguities we may discover in the future; to make these custody terms clearer; and to provide for the introduction of new or improved systems, methods of operation, services or facilities.
- 17.26 If you do not agree with any change that SPI proposes to make, you

should inform SPI by communicating your concerns to us. You can withdraw assets from SPI at any time, subject to the terms of the relevant product.

17.27 You agree that SPI may transfer by way of assignment or otherwise (subject to any necessary regulatory approvals and authorisations and subject to paragraph 17.28 below if any client money is to be transferred) its rights and obligations under its agreement with you to another person in the same corporate group as SPI (including, without limitation, us), provided it gives you no less than 30 days' written notice. SPI will only do so if it believes that it is in your best interests.

17.28 You agree that SPI may transfer any client money it holds for you to another firm (whether within the same corporate group or not) as part of transferring all or part of its business to that firm (including if SPI is involved in a group reorganisation or another person is acquiring all or part of its business). You agree that we do not need to obtain a separate additional consent from you in advance of the transfer to the recipient firm provided we have put arrangements in place for the transfer in accordance with the relevant regulator's rules, including ensuring that:

- (a) the client money being transferred relates to the business being transferred;
- (b) the firm to whom we transfer your client money will be required to return your client money held with them as soon as practicable on your request; and
- (c) the firm to which we have transferred your client money will hold it in accordance with the FCA's client money rules (in so far as they apply to that firm) until they return your client money or, if the FCA's client money rules do not apply to that person, that SPI will take appropriate steps to satisfy itself that appropriate measures will be put in place to protect your client money until it is returned.

#### Termination

17.29 SPI may terminate these custody terms at any time by giving you 60 days' written notice, subject to

applicable law and regulator's rules. There is no minimum duration of these custody terms. SPI may also terminate these custody terms with immediate effect by written notice if it is required to do so for legal or regulatory reasons or on instructions from us under its agreement with us. On termination, we will instruct SPI where to transfer your assets and client money. SPI will transfer your assets and client money in accordance with the relevant instruction or, if it is unable to obtain instructions, it will transfer them to you. You can withdraw your assets from SPI at any time subject to the terms of the relevant product by instructing us.

#### 18. Product cash facility

18.1 The product cash facility is built and incorporated within each product. All monies you pay in cash to a product, such as your subscriptions and contributions, will be placed into this cash facility within the relevant product. In the case of single contributions or subscriptions to your GIA, ISA, or Onshore Bond, any initial adviser fees will be deducted before being placed in the product cash facility. Depending on the specific terms that apply to your product, the following items and any other incoming monies will be credited to the product cash facility:

- proceeds from the sale of assets held through your product;
- distributions, dividends and other income payments, received from assets held through your product;
- interest on cash held within your product (see below);
- tax relief claimed from HMRC (to the extent applicable);
- the proceeds from the sale of assets to be transferred to your GIA and/or ISA which cannot be transferred by re-registration, and any cash balances, which will be held pending investment instruction; and
- any other monies transferred from the custodian's client account for the account of your product.

18.2 The product cash facility will be debited with all outgoing payments. On instruction, cash in the product cash facility will be transferred

to the custodian's client money account for the purposes of paying for transactions undertaken by the asset provider on your behalf. Other outgoing payments which may be made from the product cash facility include, without limitation but subject to the specific terms of your product:

- withdrawals (see paragraph 23 below);
- adviser fees (see paragraph 20 below);
- our charges (see paragraph 19 below);
- any applicable taxes, including without limitation, corporation tax and stamp duty; and
- charges or levies due as a result of legislation or imposed by regulatory authorities.

18.3 For GIA and ISA, all incoming monies to the product cash facility will be treated by us as client money in accordance with the regulator's rules and placed in a designated client money account with our nominated bank. Currently, this is Barclays Bank plc. Your adviser will be informed should this change. For all Portal products, if a product cash facility has a positive cash balance, then interest will accrue daily and will be credited shortly after it is received by us from the bank. Interest will be applied at the rate received by us and the current applicable rate is available on request. We do not currently retain any interest received on cash held within the product cash facility.

18.4 In order for us to provide services to you, you will need to maintain a sufficient amount in cash at all times within each product cash facility to cover charges, fees, withdrawals and any other debits (as described in paragraph 18.2 above) that may arise from time to time.

18.5 It is not permissible for the product cash facility to enter a negative balance at any time. If insufficient cash is held within the product cash facility to cover any debits that may arise, we will take steps to sell, normally on a proportionate basis, the assets held in your product and place the proceeds into the product cash facility as appropriate to restore a sufficient positive cash balance to cover the debits that may arise at such time. You should be aware that the sale of assets for these purposes

may occur at a disadvantageous time or may result in a tax charge for which we shall not be liable.

## 19. Our product charges

19.1 You agree to pay our fees and charges in respect of the services and products provided to you under these terms. You hereby authorise us to deduct these fees and charges (as soon as reasonably practicable after they fall due) from the cash held to the credit of the product cash facility.

19.2 The product fee is a percentage charge applied to the value of each product held by you. The product fee for each product is stated in the charges and minima grid.

19.3 The product fee is calculated and deducted (from the product cash facility) on a monthly basis using the valuation of product holdings on or about the last business day of the month.

19.4 We may also charge a Portal fee for the Sanlam Portal service. The Portal fee, if any arises in relation to your product, is stated in the charges and minima grid. The Portal fee is intended to reflect the costs of providing the administration, custody (if applicable) and accounting services under the Sanlam Portal. The Portal fee will be taken in the same way as the product fee. In that respect, this charge will be a percentage of product holdings, calculated and deducted monthly from the product cash facility.

19.5 Where VAT is applicable to the product fee or Portal fee, this is stated in the charges and minima grid.

19.6 We may also charge a Select Fund Service facility fee where you have elected to invest in the Select Fund Service. The Select Fund Service facility fee, if any, shall be referred to in the charges and minima grid. The fee will be a percentage of product holdings, calculated and deducted monthly from the product cash facility.

19.7 You should note that we reserve the right to charge additional fees for additional services. These include, without limitation, circumstances where you wish to make an investment under a product other than through the Model Portfolio



Service or the Select Fund Service. If we agree to provide an additional service, you will be notified of the relevant charge beforehand.

19.8 Our charges as set out in these terms may be subject to change for a number of reasons. We reserve the right to vary our charges where we believe it is necessary, fair and reasonable to do so. This may include:

- changes to the way or manner in which we provide our services (including changes in technology) or to reflect any changes in the cost of providing our services;
- to reflect market conditions and general good industry practice;
- to take account of changes to the law and/or regulation and/or codes of practice and/or or the way in which we are regulated; or
- to take account of a decision by any court, ombudsman, regulator or similar.

19.9 Where we decide to vary our charges in the manner described above, we will only do so where we have provided you with a reasonable period of notice. We would anticipate that in most cases we would communicate any changes to our charges in writing to you no less than one calendar month before those changes take effect. However, such advance notice may not be possible where a charge or levy is imposed as a consequence of legal or regulatory change. You should note that we will not give advance notice of any increase in charges where such increase is, in our reasonable opinion, likely to result in an increase of a de minimis amount. For these purposes we consider a de minimis amount to be £10 (ten pounds).

## 20. Adviser fees

20.1 The payment of adviser fees may be facilitated from each product in the manner described in our *Client guide to adviser charging* and subject to your signed *Adviser fee instruction*. The amount, rate or level of such adviser fees will be as you have agreed and indicated in the *Adviser fee instruction* that we receive from you. Payments to your adviser will either be deducted from the product cash facility in respect of the product, or deducted

before investment in the product, depending upon the applicable product terms, and then paid to your adviser accordingly. You should speak to your adviser if you would like more information on adviser fees.

20.2 For re-registrations of assets into our products, an amount equal to the total value of the assets subject to re-registration will be included as monies paid for your product for the purposes of calculating ongoing and ad hoc adviser fees.

20.3 If your adviser offers the Model Portfolio Service and you have selected this investment service option for your product, a portfolio manager fee is payable on a quarterly or monthly basis. This will be disclosed in advance by your adviser.

20.4 Any instruction from you to increase, stop or vary adviser fees will be subject to the conditions described in the *Adviser fee instruction*.

20.5 Initial adviser fees may only be facilitated from an ISA or GIA following a transfer by way of re-registration in respect of the amount of cash which is generated from selling any assets which are not re-registrable and in respect of which you have provided investment instructions in the application form.

20.6 In certain circumstances we may allow you to make additional payments known as a 'top up' to your product without taking advice from your adviser. Where your product has been set up to pay ongoing adviser fees as a percentage of the fund value to your adviser, the fund value to which the percentage applies will include any increase in its value due to payment of the top-up amount. If you do not wish any top-up amount to form part of the fund value upon which ongoing adviser fees are based, you must tell us so.

## 21. Fund manager charges

21.1 One of the benefits of investing through the Sanlam Portal is that we are able to negotiate discounted rates from a large number of fund managers and product providers. We expect that in many cases, where you acquire funds through the Sanlam Portal there will be no initial charges levied by the fund managers of the funds in respect of transactions in units/shares of those funds. If an

initial charge does apply, this can mean an increase in the price paid for the acquisition and sale of units and shares in funds. Where that is the case, the charge will be levied by the fund manager and debited from the product cash facility in respect of the relevant product.

- 21.2 Assets acquired through the Sanlam Portal, such as shares or units in funds, typically charge an annual management charge (AMC). This charge is levied by the fund manager and taken from the property of the relevant fund. This is reflected in the price of the units or shares when bought or sold.
- 21.3 Because of the way in which funds are structured and managed, fund managers are permitted to apply dilution fees, levies or adjustments. This is something which the fund manager is entitled to do under law and regulation but the rate and level at which that dilution fee, levy or adjustment is applied is at the discretion of the fund manager. In our experience, this is something which is typically based on the size of the deal. If you require more information on dilution and/or the other expenses and charges that could be levied at the level of the fund, you should refer to the fund's prospectus which may be obtained from your adviser.

## 22. Minimum product balance

You must retain a minimum balance in product holdings at all times. Unless you are cancelling or closing your product, you may only make withdrawals to the extent this minimum level is maintained. The minimum required balance is set out in the charges and minima grid.

## 23. Withdrawals

- 23.1 If you instruct us that you wish to undertake a full withdrawal from a product, we will transmit instructions to the asset provider for the relevant assets held within that product to be sold, except in the case of the Personal Pension. Once the proceeds of sale have been received within the product cash facility, we will process the payment of those proceeds to you after deduction of all product charges and any other outstanding debits to the product cash facility. We will then proceed to close the product on your behalf. If

for any reason any monies or funds are received after the closure of a product, we will pay them directly on to you on a periodic basis, with the exception of payments in respect of the Personal Pension and payments of amounts less than our de minimis amount, which is currently £10 (ten pounds). You should be aware that payments due upon a full withdrawal may typically take at least 10 business days to reach you. Payment of a full withdrawal will release the product provider from its obligations under the product, but this does not prevent you from bringing a claim against the product provider if any act or omission by them is established. If a full withdrawal occurs and initial adviser fees are still due to be paid from the product, payment of those fees will cease and you will remain responsible for settlement of any adviser fees due directly with your adviser.

- 23.2 If you wish to make a partial withdrawal from a product, then you should note that minimum withdrawal amounts apply to each product, as set out in the charges and minima grid. The monies required to satisfy the partial withdrawal will, in the first instance, be deducted from the product cash facility. If there is insufficient cash available in that facility, we will arrange for assets held within that product to be sold normally on a proportionate basis in order to meet your partial withdrawal request.
- 23.3 If you wish to establish arrangements for regular withdrawals, this is something that we can implement for you subject to the terms of the relevant product. Our regular withdrawal facility is subject to a minimum regular withdrawal amount as set out in the charges and minima grid. Certain products such as the Onshore Bond may be subject to a maximum amount for regular withdrawals.
- 23.4 We will arrange for payment in accordance with your withdrawal instructions to be made to your nominated bank account by BACS Faster Payments or CHAPS. Ordinarily this will take up to five business days. If you should request that payment be made by CHAPS then this will be charged on a transfer-by-transfer basis and debited from the product



cash facility. Further details on the charges that apply may be obtained from us or your adviser.

23.5 If you wish to make a partial withdrawal, this is subject to the minimum balance for the product as explained in paragraph 22 above ('Minimum product balance'). Where it would appear that less than the minimum balance would remain within the relevant product following the processing of your partial withdrawal, we reserve the right to refuse your instructions to action the withdrawal. Alternatively, we reserve the right to close the product. You will understand that we cannot accept any liability for any losses you might incur where a partial withdrawal instruction is either rejected in these circumstances or we decide to close your product in its entirety.

23.6 Assets take time to liquidate and there may be unforeseen delays in selling assets, for reasons such as infrequent dealing days, rebalancing exercises and fund conversions or closures which in turn may lead to delays in withdrawal instructions being processed. In these circumstances, you agree that we may delay the making of any withdrawal payment to you until the assets are sold to enable the payment to be made. For certain types of assets, there may be a substantial delay and we would recommend that you discuss this with your adviser before acquiring any asset or investing in any model portfolio that may have a higher risk of illiquidity.

## 24. Statements and corporate actions

24.1 We will maintain records of the transactions undertaken for you or in respect of your product. We will send you a statement twice a year with a summary of your product holdings. We can provide statements on a quarterly basis on request.

24.2 We rely on the reports and information supplied by third parties (such as the asset provider(s) and the custodian) for us to produce our statements for you. Because of the source of this information, there may be some delays. Also, that information may be subject to certain assumptions and estimates implemented by the ultimate provider of that information. While

we will of course use reasonable endeavours to make sure that the information we provide to you is accurate, we cannot guarantee that this will always be the case and therefore we cannot accept liability for any losses that might result from errors in information provided by third parties.

24.3 Except where the terms of the relevant product provide otherwise, we will not:

- send you copies of reports, accounts, prospectuses or scheme particulars that may be issued in respect of an asset held within a product; or
- arrange for you to exercise all or any rights or privileges (including, without limitation, voting rights) which attach to the assets held within a product.

24.4 You may request in writing to receive the documents mentioned above in paragraph 24.3 or request that we arrange for you to exercise your voting and certain other rights in respect of an asset. However, we reserve the right to charge you a reasonable fee, on each occasion, for dealing with your request. This fee will be deducted from the product cash facility.

## 25. Delegating performance

25.1 We or any other product provider may, at any time and without your prior agreement (if that is reasonable and fair in our view), delegate the performance of our obligations under these terms. We will provide notice to you of such delegation where it involves the delegation of a critical aspect of our services.

25.2 We reserve the right to delegate any of our administrative or accounting duties under these terms to another person. You authorise us to disclose to that person information about your product as needed for this purpose. We will satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under these terms is competent to carry them out and shall in any event comply with our obligations under paragraph 38 ('Handling your information') below.

25.3 We will act in accordance with the regulator's rules in the selection, use and monitoring of all delegates. We

will remain responsible for the acts of our delegates.

## 26. Closing your product

26.1 We may at our discretion (except in the case of the Personal Pension and otherwise only where we believe it is appropriate, reasonable and fair to do so) close a product in the following circumstances:

- when you cease to become eligible to contribute or subscribe to a particular product;
- following receipt of a court order or any other official order legally binding on us which requires us to close the product;
- your product fails to retain a balance of more than the required minimum amount; or
- you have, without our prior agreement, assigned your assets to a third party.

26.2 We will, wherever we can, give you notice if we propose to close your product. We will confirm the closure date to you in writing and will not accept any further instructions from either you or your adviser from that date. On the date at which your product is closed, assets held will be sold unless you have elected to re-register your assets held in your ISA or GIA. The proceeds, along with any balance in the product cash facility, will be paid to your bank or building society account. You should note that if you have not arranged to transfer your ISA to another ISA provider it will result in loss of the ISA tax benefits.

26.3 We will not be liable for any fees, costs or expenses which may be incurred in the closure of your product. You may be liable for certain tax charges when your GIA is closed and when your Onshore Bond is closed. It may be that certain tax benefits within your ISA will also be adversely affected.

26.4 You may elect to close any of your products with us (except in the case of your Personal Pension, for which you may elect to transfer) at any time by notifying us in writing. Where we require a notice period to be given prior to closure of a product, this will be detailed in the specific product terms. This closure will be treated as a full withdrawal

request and the provisions of paragraph 23.1 will apply.

26.5 Any income, interest or dividend payments received after the closure of your product, with the exception of the Personal Pension, will be sent to your nominated bank or building society account. In the case of the Personal Pension, these must normally be sent to your new registered pension scheme or annuity provider.

26.6 You will appreciate that closing your product will not automatically stop any transactions that are already in progress which are to be paid from your product, except for any adviser fees. These terms and the terms which apply to any third parties involved will continue to remain in force until all such transactions have been completed and outstanding liabilities have been satisfied.

## 27. Conflicts of interest

Please refer to our *Conflicts of interest policy*, which is available on request.

Conflicts of interest or potential conflicts of interest which may arise when providing services to you are managed in accordance with the *Conflicts of interest policy*. In the unlikely event that a material conflict of interest arises and we believe we are unable to provide services to you, we will disclose this interest to you with a view to ensuring your fair treatment.

## 28. Minor non-monetary benefits

We may give/receive minor non-monetary benefits to/from some of the firms we work with to offer you a better service. Benefits may include information relating to financial instruments or investment services; participation in conferences, seminars and training events; and minor hospitality (such as food and drink during a business meeting, conference, seminar or training event). Any costs we incur in provision of such benefits will not affect the charges you pay for our service. Further information regarding these arrangements is available on request.

## 29. Changes to these terms

29.1 We can amend any of the terms on which we provide our services to you or in respect of your product by giving you at least 30 days' written notice, unless shorter notice is required for us to comply with applicable laws and/or the

regulator's rules. This would be for reasons such as:

- to make them fairer and/or more easily understandable;
- to correct a mistake (provided that this correction would not adversely affect you);
- to reflect a change in the law or any regulation (or the way in which such laws and/or regulatory requirements are applied);
- to reflect a change in the law or any regulation (or the way in which they are applied);
- to reflect a change in technology, to cover an improvement or change in our services or in the facilities that we provide;
- to reflect a change in market conditions or the overall cost of providing our services to our client; or
- to ensure the good management or competitiveness of our business.

29.2 Nothing in this paragraph 28 shall affect our right to vary our fees and charges in respect of the services and products provided to you under the Sanlam Portal, in accordance with paragraphs 19.8 and 19.9 of these terms.

29.3 We may transfer our rights under these terms to any associate (as defined in the regulator's rules) and arrange on your behalf for it to assume our obligations to you so long as the associate is appropriately authorised and is bound by the regulator's rules of conduct in the context of investment business. We will advise you in advance if this happens, let you know the name of the associate and provide you with a right to withdraw. If you do not withdraw from these terms, you agree that we will be released from our obligations to you once this has been done, and that these terms will apply to the provision of services by the associate as if it were a party to these terms.

29.4 You agree that we may transfer any client money we hold for you to another firm (whether that firm is within the same corporate group or not) as part of transferring all or part of our business to that firm (such as if we are re-organising our group or another person is acquiring our

business). You agree that we do not need to obtain a separate additional consent from you in advance of the transfer to the recipient firm, provided we have put arrangements in place for the transfer in accordance with the relevant FCA rules, including ensuring that:

- the client money being transferred relates to the business being transferred;
- the firm we transfer your client money to will be required to return your client money as soon as practicable on your request; and
- the firm to which we have transferred your client money will hold it in accordance with the FCA's client money rules (as they apply to that firm) until they return your client money or, if the FCA's client money rules do not apply to that person, we will take appropriate steps to satisfy ourselves that appropriate measures will be put in place to protect your client money until it is returned.

### 30. The nature and risks of investment

30.1 Your adviser is responsible for explaining the nature and risks of investment in any product, asset or any model portfolio provided to you through the Sanlam Portal. Your adviser is also responsible for explaining the nature and risks of choosing this Portal, the Model Portfolio Service and/or the Select Fund Service and any other investment option that may become available. You should ensure that you understand the information supplied by your adviser and refer to them if you have any questions.

30.2 The range of assets your product may be invested in through the Sanlam Portal is subject to our agreement and to the terms of the relevant product. This may mean that some assets that you or your portfolio manager would otherwise select may be rejected as not permissible for investment under the Sanlam Portal and/or the relevant products. As long as you choose to receive the Sanlam Portal service, no other type of investment or assets may be selected in respect of your product.

30.3 Subject at all times to our duties and obligations under applicable laws and the regulator's rules, we reserve

the right to delay, suspend or refrain from carrying out the payment of any benefits or withdrawals under any product in circumstances of market volatility conditions. This may affect the value of your product.

### 31. The limitations on our liability

- 31.1 If you become aware of any inaccuracies or errors concerning your product or any reports or communications you receive through your use of the Sanlam Portal, then please let us know as soon as you can (within 30 days of you becoming aware) so that we can investigate the matter for you. If you notify us beyond the 30-day period, then you accept that, to the extent such inaccuracies or errors are as a result of our negligence, any compensation payable by us will be limited to the losses you incur or suffer during the 30-day period only.
- 31.2 Neither you nor we will be liable to each other in contract or otherwise for any indirect losses or damages. This means that we will not compensate you for any losses that are directly associated with the specific incident which has caused you to claim (such as loss of business, loss of data, loss of profits and third-party claims), whether or not that loss or damage is foreseeable. Having said that, nothing in this paragraph shall operate to limit liability for death, personal injury, negligence, wilful default or any other liability in respect of which such limitation is prevented by law.
- 31.3 For the avoidance of doubt, nothing contained in these terms will exclude or restrict to an extent prohibited by the regulator's rules, any duty or liability which we may have under the regulatory system (as defined under the regulator's rules), and nothing in these terms will exclude any obligations we may owe under common law generally.
- 31.4 Subject to this paragraph 31, if we have allowed you to make additional 'top-up' payments into your product without taking advice from your adviser, we shall not be responsible for any losses, claims and expenses which may arise from such additional payments.

### 32. Taxation

While the Sanlam Portal provides access to certain products which offer potential tax benefits, you and your adviser or professional tax adviser are solely responsible for the management of your affairs to your best advantage for tax purposes.

### 33. If you have a complaint

- 33.1 We will follow the procedure laid down by the regulator's rules for the effective consideration and proper handling of complaints from our clients. If there is any disagreement on matters covered by these terms, either party must attempt to resolve such disagreement by submitting their complaints to each other in writing. In the unlikely event that a complaint cannot be resolved, you may have a right of complaint direct to the Financial Ombudsman Service under whose authority you may have a right to compensation. The Financial Ombudsman Service offers to investors an independent consideration of complaints made against firms authorised and regulated by the regulator, without charge. A statement is available from our head of compliance on request, detailing the main points of the ombudsman system and the way it operates. You should note that certain clients such as large companies, trusts and pension funds may not have access to the Financial Ombudsman Service.
- If your complaint is not dealt with to your satisfaction, you should contact the Financial Ombudsman Service at the following address:
- Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
T 0300 1239 123  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)
- 33.2 If your complaint relates to a function carried out by your adviser, your portfolio manager, the asset provider or the custodian, we shall refer your complaint to the relevant person in accordance with the regulator's rules.

### 34. Your protection

As a retail client you may be eligible to claim compensation from the FSCS if we or any of the product providers are declared in default and are unable to meet liabilities to you.

Money held in our designated client money accounts is segregated from our own funds, but will be pooled with money held on behalf of our other clients. This means that your money will be held as part of a common pool of money, so you will not have a claim against a specific sum in a separate account. Your rights will vest in the client money pool.

In the event of a bank failure, the designated client money account is not pooled with any other type of client money account.

If a default by a bank occurs and a shortfall arises, your claim in relation to money held will be limited to a share of the money held in the designated client money account with the bank.

The banks we use are independent of us and we do not accept liability for any default or delay in distribution of funds in the unlikely event that a bank fails.

Further information, including details of the extent and level of cover are available in the FSCS *Compensation limits* factsheet from [www.fscs.org.uk](http://www.fscs.org.uk) or on request from our head of compliance. You should note that certain clients such as large trusts may not have access to the FSCS.

### 35. Joint accounts

35.1 Where our clients comprise more than one person (such as trustees), your obligations to us will be joint and severally and any reference in these terms to you as the client shall be construed, where appropriate, as a reference to any one or more of you. Accordingly, any warning or other notice which is given to one of the persons constituting our client will be regarded as being given to all persons constituting the client.

35.2 If one of you wishes to give instructions on behalf of all parties constituting the client, you must give standing written instructions to your adviser. Your adviser will then notify us in writing about these. In the absence of such standing instructions, we may require instructions from one party to be co-signed by all the persons constituting the client (or, in the case of trusts, by at least two trustees), or, in the case of such other persons as we may allow as applicants under such signing authorities as we may prescribe. Furthermore, once we have been notified in writing by the adviser that one or more joint holders no longer consents

to the other joint holders giving instructions on their behalf we (and the adviser) will require further instructions to be co-signed by all persons constituting the client.

35.3 Where there is a change of joint holders other than as a result of death, such as a trustee or a director retiring, your adviser should be notified in writing. Your adviser will then notify us in writing about this.

35.4 Where our client is a trust, the liability of the trustees under these terms shall be limited, in the absence of fraud, to the assets of the trust.

### 36. Power of attorney

We may only accept instructions by an individual holding a power of attorney with your prior written authority, or due to your physical or mental incapacity. We will only accept the original power of attorney or a certified copy. For physical incapacity it must be accompanied by a written declaration by the person signing the application. In the case of mental incapacity, the power of attorney must be registered and stamped by the Court of Protection.

### 37. Outstanding client money balances

37.1 In certain circumstances, we may hold money for you which has been allocated to you but has not been claimed by you. We reserve the right to cease treating unclaimed monies as client money under the regulator's rules provided we have taken the appropriate steps (as defined by the regulator) to trace and return such monies to you.

37.2 Provided the steps outlined by the regulator have been taken and we continue to act reasonably and fairly, we may pay such monies to a registered charity. You should note that we undertake to make good any valid claim against monies that were released from being treated as client money, upon the provision by you of information to evidence the validity of any claim.

### 38. Handling your information

In the course of providing our products and/or services to you we will receive information from and about you. We are each regarded as data controllers in respect of your personal data and we take the security of your personal data very seriously. We will only process your personal data in

accordance with applicable data protection laws. Further information about the way in which we use your personal data is set out in the relevant application form and the *Sanlam privacy statement* which is available at [www.sanlam.co.uk](http://www.sanlam.co.uk)

### 39. Credit references

Given the nature of the services we offer, we reserve the right to use your information to carry out searches with our pre-approved credit reference agencies. The principal reason for carrying out these searches will be to validate your identity as part of our anti-money laundering checks. These agencies may keep a record of such enquiries.

### 40. Assignment

- 40.1 Except where the terms of the relevant product state otherwise, you may not assign, charge or otherwise transfer any of your rights in all or part of the products or any of your rights that may arise under the Sanlam Portal without our prior written consent.
- 40.2 We may at any time by written notice to you on one or more occasions assign all or part of our rights and/or transfer, delegate or sub-contract all or part of our duties or obligations under these terms.

### 41. Force majeure

We shall not be liable for any failure or delay in performance of any obligations under these terms arising from or attributable to acts, events, omissions or accidents beyond our reasonable control.

### 42. Applicable law

These terms are governed by and should be interpreted in accordance with English law and the parties submit to the exclusive jurisdiction of the English courts.

### 43. Severability

If any provision of these terms is found by any court or other authority of competent jurisdiction to be illegal, invalid or unenforceable in whole or in part, that provision (or part provision) shall, to the extent required, be deemed not to form part of these terms, but that shall not affect the legality, validity or enforceability of any other provision of these terms.

### 44. Third-party rights

Except where expressly stated by these terms, a person who is not a party to this agreement shall have no rights under the Contracts (Right of Third Parties) Act 1999 to enforce any of its terms.

### 45. Notices

Except where otherwise stated in these terms, all written notices, instructions or requests in relation to the products will only be accepted if sent by post to the address set out in paragraph 46. Notices sent by first-class post shall be deemed to have been received on the third business day after dispatch. We may, at our discretion, accept communications by fax, email or other electronic means.

### 46. Our address

All notices or queries should be sent to our registered offices at:

Sanlam Investments and Pensions  
St Bartholomew's House  
Lewins Mead  
Bristol BS1 2NH

You may make general enquiries by telephone, email or fax:

T 0117 975 2355  
F 0117 975 2144  
E [clientservices@sanlam.co.uk](mailto:clientservices@sanlam.co.uk)  
[www.sanlam.co.uk](http://www.sanlam.co.uk)

Telephone calls may be monitored and recorded for training purposes.



# Section 2: The General Investment Account (GIA)

This section of the document contains the terms and conditions that apply to the General Investment Account, in addition to the general terms. For the purposes of this section, 'we' means Sanlam Financial Services UK Limited only and 'us' and 'our' shall be construed accordingly. To the extent there is any conflict or inconsistency between the general terms and these GIA terms, these GIA terms shall take precedence in relation to the provision of the GIA.

## 1. Acceptance of your application for a GIA

- 1.1 These GIA terms (also referred to in these GIA terms as 'your GIA') will come into effect when we notify you in writing that your application form and payment has been accepted by us. These GIA terms will then be binding upon you but you do have a right to cancel (please see paragraph 5 of the general terms).
- 1.2 For your application to be acceptable to us, in addition to the relevant application form being acceptable (as provided in our general terms), there are certain conditions which must be fulfilled in respect of your application, eligibility and subscription.

## 2. Eligibility

- 2.1 For us to establish a GIA for you, you must be 18 years of age or over and resident or domiciled in the UK.
- 2.2 You may open a GIA jointly with another person. For applications from individuals acting in their own capacity, we permit up to two joint holders of one GIA. For applications from trustees, we permit up to four trustees as joint holders of one GIA. In accordance with our general terms, joint holders will be jointly liable for each other's obligations.
- 2.3 You may open a GIA designated by you in favour of one or more other persons. There are specific conditions that need to be met as set out in the relevant application form, such as verification of the identity and status of the designated person and the maximum number of designated persons that we

may allow. The designation of a GIA in favour of another person will be treated as irrevocable and will create a bare trust in favour of the designated person(s), with you as the trustee. Following our acceptance of your application, any withdrawal payments under your GIA will continue to be made to you. We will not make any withdrawal payments to any designated person. However, please note that the effect of the designation may change the individual who would otherwise be assessed for income and capital gains tax arising on the assets held under your GIA. The above will not affect any of the general terms of the Sanlam Portal which will continue to apply to your GIA.

- 2.4 Our acceptance of notification of a designated person for a GIA is not intended to confer third-party rights under the Contracts (Rights of Third Parties) Act 1999.

## 3. Single payments

- 3.1 A single payment may be made at any time to your GIA either by cheque or by bank transfer subject to our minimum payment amount set out in the charges and minima grid. We do not accept cash payments.
- 3.2 Any initial adviser fees you have agreed with your adviser and which we are to facilitate in accordance with the terms of the application form will be deducted from your single payment before investment in your GIA.

## 4. Regular payments

- 4.1 If you would like to make payments to your GIA on a regular basis we can arrange that for you, but only by way of bank or building society Direct Debit. You may choose from the dates or frequencies set out in your application form. In this respect, we must receive a Direct Debit instruction appropriately completed and signed by you. Please refer to paragraph 4 of the general terms, in particular under 'Methods of payment'.



- 4.2 Where you have agreed that we should facilitate the payment of initial adviser fees from your regular payment, these fees will be deducted after investment in your GIA.

## 5. Transfers to your ISA from your GIA

- 5.1 You may instruct us to sell assets held in your GIA and to reinvest the proceeds in your ISA. For us to be able to action your request, you must hold or have applied for the ISA under the Sanlam Portal.
- 5.2 Under the ISA regulations, we are required to wait for the cash proceeds of the sale of any assets to be received into our bank account before using them to make a subscription to a ISA.
- 5.3 Alternatively, you may instruct us on your *GIA application form* to sell assets equivalent to the maximum ISA subscription limit for that tax year on an annual basis and to reinvest the cleared proceeds in your ISA under the Sanlam Portal. The transaction will take place after the start of each new tax year and will continue until you advise us in writing otherwise.
- 5.4 The sale of assets in your GIA for the purposes of transfer to your ISA will be made proportionately across all the assets held in your GIA at that time. Depending on your circumstances, you should be aware that this may give rise to a personal capital gains tax liability.
- 5.5 Should the transaction cause the remaining balance in your GIA to fall below the minimum required at that time, we reserve the right to refuse to action the request or to close the GIA.

## 6. Conditions affecting payments to your GIA

- 6.1 Your payments to your GIA must not be below our minimum allowable amount for single or regular payments (as applicable). The minimum allowable amounts for single or regular payments is set out in the charges and minima grid and may be amended at our discretion.
- 6.2 All payments must be from your own resources and we reserve the right to reject a payment if we are not satisfied that this is the case.
- 6.3 All payments from you which will be net of any adviser fees for single

contributions, will be credited to the product cash facility for your GIA and the balance (after deduction of all fees and charges and other debits that may arise) will be applied to acquire assets either in the proportions you have specified in your application form or, if applicable, in accordance with the model portfolio you have selected in your application form.

## 7. Ownership of cash and assets

- 7.1 All product holdings within your GIA are beneficially owned by you. This means that you are not the registered legal owner of product holdings but you are entitled to the benefit of ownership.
- 7.2 Assets held within the GIA will be held for you by the custodian in accordance with the terms of your contract with the custodian that are set out above in section 17 of the general terms. In that respect, you hereby appoint the custodian to provide safe keeping and custody services as provided in the general terms in respect of your assets held through your GIA. Further, you hereby authorise us to liaise and instruct the custodian on your behalf for the purposes of operating your GIA.

## 8. Withdrawals under your GIA

- 8.1 If you want to make withdrawals from your GIA you may do so on a regular or ad hoc basis. Please refer to paragraph 23 of the general terms for more details about withdrawals. There are no maximum withdrawal restrictions that currently apply to your GIA. However, unless you are cancelling or closing your GIA you may only make withdrawals to the extent the minimum required balance is maintained. The level of the minimum required balance is set out in the charges and minima grid withdrawal amount.
- 8.2 If you would like to organise regular withdrawals from your GIA this is something we can arrange for you. You may choose the frequency of the regular withdrawals from the options set out in the application form. Regular withdrawals are available as a fixed monetary amount or as an annual percentage of the total value of your GIA at the time of the proposed withdrawal.

8.3 You may elect to receive income payments of dividend and interest receipts in relation to product holdings in your GIA on a periodic basis subject to the income payment being more than a minimum level as set out in the charges and minima grid. This is described as an 'income sweep facility'. If the total income generated by product holdings within your GIA is below the minimum level on the relevant payment date, the balance will roll over to the following date for payment.

## 9. Transfers of a GIA

9.1 We can accept the transfer of existing investment accounts you may hold with another provider. You can elect in the transfer authority form(s) to transfer funds by re-registration through our online process or in the form of cash. If any assets held in your investment account cannot be re-registered for whatever reason, your ceding provider will sell the relevant investments and the cash proceeds will be transferred to us. The cash proceeds we receive and any other cash held in your existing investment account will be held in a designated client money account until all the transferring funds (the cash and assets to be re-registered) have been received by us. Please note that no interest will be paid on the cash proceeds while held in the designated client money account. We will then invest the cash proceeds and any other cash in your investment account in accordance with your instructions in the relevant product application form or we will credit the cash proceeds to your product cash facility pending investment instructions, as specified by you in the transfer authority form(s). Where funds are being re-registered, all units in the fund that you hold with a fund manager or investment account provider will be re-registered.

9.2 If any funds cannot be re-registered and are sold this may give rise to a personal capital gains tax charge. You should ask your adviser if you have any queries regarding tax.

9.3 If you re-register funds, the value of those funds may be affected by market movements, or if the fund manager or your previous provider

applied a charge prior to the transfer.

9.4 If, following re-registration, we receive income and/or cash in respect of any of your investments which were transferred to a Sanlam Portal GIA, we will credit the product cash facility with the proceeds pending investment instruction. If we receive such income as additional fund units we will add the extra units into your product.

9.5 Transfers will only be accepted from an account in your name. We will not be responsible for any loss or delay caused in the transfer or payment of proceeds to us where this is due to something we cannot reasonably control.

9.6 If you instruct us in writing we can arrange for the transfer of your GIA to another investment account provider as selected by you provided that such investment account provider agrees to the transfer and subject to any retentions or deductions we may be entitled or bound to make under these Terms. While under normal circumstances, we will carry out the transfer within the time you have requested, occasionally it may take longer to complete due to circumstances outside our control. Transfers from your GIA may be achieved by re-registration subject to the agreement of the receiving provider.

## 10. Closing your GIA

10.1 You may close your GIA at any time by giving us at least 30 days' written notice. We will liquidate the product holdings in your GIA and transfer the cash to you or, at your request, we will arrange for the re-registration of the product holdings to you, subject to any retentions or deductions we may be entitled or bound to make under these terms.

10.2 These terms will continue to apply to your GIA until all outstanding transactions and liabilities have been completed and discharged. Any closure is subject to the satisfaction of all your tax, settlement and other obligations relating to your account with us. You authorise us to keep or deduct from your GIA assets we may consider necessary to meet our obligations under law, any of your tax obligations or other obligations owed to us under these terms.

- 10.3 We may close your GIA by notifying you in accordance with the general terms.

## 11. Tax

- 11.1 Assets held within your GIA may be subject to various taxes including income, capital gains and inheritance tax.
- 11.2 The first £2,000 of dividend income will be tax free. Any dividend income over £2,000 will be subject to tax, the rate of which varies according to your income tax band.
- 11.3 The payment of income from UK based funds as interest is paid net of basic rate. Depending on your individual circumstances you may also be liable to additional income tax at the higher rate(s).
- 11.4 For non-UK based funds you may be liable for income tax even if you pay tax at the basic rate, this is because the tax rules are different on funds based overseas.
- 11.5 We will also pay tax to HMRC on any interest received in the product cash facility.
- 11.6 If we were to sell assets on your behalf to maintain the minimum balance in your product cash facility within your GIA, this may result in a capital gains tax liability.
- 11.7 If you have chosen the Model Portfolio Service, you may be liable to capital gains tax each time the portfolio manager sells or switches assets.
- 11.8 In circumstances where tax legislation allows, we may facilitate the payment of income before deduction of tax where you have declared that you are entitled to receive gross payments. We accept no liabilities for incorrect or false claims for such tax treatment.
- 11.9 You will receive a tax report from us each year which sets out all dividends, distributions and interest received into your GIA and the amount of tax deducted, as well as details of any realised gains or losses. You are responsible for reporting all income and gains to HMRC on your tax return.

## 12. In the event of death

- 12.1 Where the GIA is held by two individuals and we are notified of the death of one of them, the GIA will automatically pass to the remaining holder.
- 12.2 If a GIA is held in the name of a single individual (or the remaining joint account holder), on notification of their death, we will automatically organise for the sale of all assets. The proceeds will be held in the product cash facility until we receive the relevant documentation (such as an original or certified copy of the grant of probate). On receipt of that grant of probate, we will take instructions from the personal representatives as the new holders of the GIA.

## Section 3: The ISA

This section of the document contains the terms and conditions that apply to the ISA, in addition to the general terms. For the purposes of this section, 'we' means Sanlam Financial Services UK Limited only and 'us' and 'our' shall be construed accordingly. To the extent there is any conflict or inconsistency between the general terms and these ISA terms, these ISA terms shall take precedence in relation to the provision of the ISA.

### 1. Our status

We are an ISA manager approved by HMRC. We will manage your ISA in accordance with the ISA regulations and the regulator's rules.

### 2. Acceptance of your ISA application

- 2.1 These ISA terms (also referred to in these ISA terms as 'your ISA' or the 'Sanlam Portal ISA') will come into effect when we notify you in writing that your application form and payment has been accepted by us. These ISA terms will then be binding upon you but you do have a right to cancel (please see paragraph 5 of the general terms).
- 2.2 If you cancel your ISA within the 30-day period following subscription then you will be treated as though you have not subscribed to an ISA. You will be exempt from UK income and capital gains tax on any income or gains arising from your assets held in the ISA during that period. However, if you decide to cancel your ISA after the 30-day period then you will be treated as having already subscribed to the ISA and you will not be able to subscribe to another ISA of the same type in that tax year. In these circumstances, you will not be exempt from UK income and capital gains tax arising from the subscription.
- 2.3 For your application to be acceptable to us, in addition to the relevant application form being acceptable (as provided in our general terms), there are certain conditions which must be fulfilled relating to your application, eligibility and subscription.

- 2.4 Your initial application will cover the first tax year in which you subscribe. That application will also cover all subsequent tax years provided you continue to subscribe to your ISA. That means that in subsequent tax years you will not need to submit a further application form, unless you have not made any subscriptions to your ISA throughout a whole tax year, in which case you will need to reapply by submitting a new application form.

### 3. Eligibility

- 3.1 In accordance with the ISA regulations, in order to subscribe to the ISA you must fulfil the following conditions:
- you must be aged 18 or over when you open the ISA;
  - you must be resident in the UK; and
  - if you are not resident in the UK, you may only qualify to invest in an ISA if you are a Crown employee serving overseas (and paid out of the revenue of the UK) or the spouse or civil partner of a Crown employee serving overseas.
- 3.2 Also, you should be aware that under the ISA regulations, as a stocks and shares ISA, the following restrictions apply to the ISA:
- you must not have subscribed to another ISA in the same tax year; and
  - you must not exceed your ISA limit (this limit is specified in our *Key features and product guide* document which you should have received at the time of your application).

### 4. Single subscriptions

- 4.1 A single subscription may be made at any time to your ISA either by cheque, bank transfer or by cash transfer from your GIA.
- 4.2 All single subscriptions will be allocated to the account for the tax year in which it is received provided we have received your cleared funds

before the close of business on 5 April (if that is a business day or on the preceding business day) in respect of such tax year (subject to paragraph 4.3 below regarding cheques).

- 4.3 If your single subscription is by way of cheque, to meet the 5 April deadline in any tax year and for your subscription to fall within the preceding tax year, you must ensure that we receive your cheque before close of business on 5 April (if that is a business day or on the preceding business day) and the cheque subsequently clears on first presentation.
- 4.4 Any initial adviser fees you have agreed with your adviser and which we are to facilitate will be deducted from your single subscription before investment in your ISA. This will enable maximum use of the annual ISA subscription limit.

## 5. Regular subscriptions

- 5.1 If you would like to make subscriptions to your ISA on a regular basis we can arrange that for you but only by way of bank or building society Direct Debit. You may choose from the dates or frequencies set out in your application form. In this respect, we must receive a Direct Debit instruction appropriately completed and signed by you. Regular subscriptions will be allocated to the account for the tax year in which we draw on the Direct Debit, provided we are in receipt of a Direct Debit instruction duly completed by you and we are authorised to draw on that Direct Debit instruction on the business day at least seven days before 5 April. You should note that if your Direct Debit instruction fails on first presentation in this context then your monthly payment (once cleared) may be treated as a subscription in respect of your ISA allowance for the following tax year.
- 5.2 You should note that we will continue to collect your subscriptions by Direct Debit until either we receive your written instructions to stop or we are unable to collect a subscription amount for any reason. Please refer to paragraph 4 of the general terms, in particular under 'Methods of payment'.

- 5.3 If your regular subscriptions continue to be received beyond a specific tax year they will count towards the annual subscriptions for the new tax year. These terms and the information provided in respect of your original application will apply to these subscriptions.
- 5.4 In your application form you may have selected the option that enables you to pay the maximum ISA limit each tax year. If you decide to select this option, the total value of subscriptions taken by Direct Debit on your behalf during a tax year will automatically be increased in line with any future increases to that ISA limit. We will notify you in advance of any change being made to the Direct Debit when this maximum annual subscription amount changes.
- 5.5 Where you have agreed that we should facilitate the payment of initial adviser fees from your regular subscriptions, these will be deducted after investment in your ISA and will count as part of your annual ISA subscription limit.

## 6. Conditions affecting your subscriptions

- 6.1 The total of all your subscriptions in any tax year must not exceed the ISA limit. The applicable ISA limit is stated in your application form and will be available from us or your adviser. If your total subscriptions in any tax year equal the ISA limit, no further subscriptions will be accepted into your ISA for that tax year.
- 6.2 In applying for the ISA, you are confirming that you have not and will not breach the prevailing ISA regulations and subscription levels. This includes any ISAs which you may already hold or intend to open with any other ISA manager.
- 6.3 Your subscriptions must not be below our minimum allowable amount for single or regular subscriptions (as applicable). The applicable minimum allowable amounts for single or regular subscriptions are set out in the charges and minima grid and may be amended at our discretion.
- 6.4 In addition to the requirements in paragraph 6.3 above you must retain a minimum balance (in value of assets or assets and cash) within your ISA at all times. Unless you

are cancelling or closing your ISA you may only make withdrawals to the extent this minimum level is maintained. The applicable minimum balance is set out in the charges and minima grid and may be amended at our discretion.

- 6.5 It is important for you to understand that after your first subscription, you are not under any obligation to make any further subscriptions into your ISA. If you have not made any subscriptions for a whole tax year, you will have to reapply for an ISA if you wish to recommence subscriptions in a later tax year.
- 6.6 All subscriptions must be from your own resources and we reserve the right to reject a payment if we are not satisfied that this is the case.
- 6.7 Once we have accepted a subscription from you, which will be net of any adviser fees for single subscriptions, or transfer in from another ISA manager, we will credit the product cash facility and apply the balance (after deduction of all fees and charges and other debits that may arise) to acquire assets either in the proportions you have specified in your application form or, if applicable, in accordance with the model portfolio you have selected.

## 7. Ownership of cash and assets

- 7.1 All product holdings within your ISA are and must remain beneficially owned by you. This means that you will not be the registered legal owner of product holdings but you are entitled to the benefit of ownership.
- 7.2 You must not use your product holdings within your ISA as security for a loan or create any legal charge, lien or security interest over them.
- 7.3 In accordance with the ISA regulations, all assets held in an ISA must be registered either in the name of the ISA manager or that of their nominee. Accordingly, assets held in your ISA will be held by the custodian in accordance with the terms of your contract with the custodian as set out above in section 17 of the general terms. In that respect, you hereby appoint the custodian to provide safe keeping and custody services as provided in the general terms in respect of your assets held through your ISA. Further, you hereby authorise us

to liaise and instruct the custodian on your behalf for the purposes of operating your ISA.

## 8. Voting and other information concerning your assets

- 8.1 On your written request we can arrange for you to receive a copy of the annual reports and accounts issued in respect of each asset held within your ISA. On your written request we can also arrange (subject to all applicable laws and regulations) for you to:
- attend holder meetings;
  - vote; and
  - receive, in addition to the annual report and accounts, any other information issued to holders of certain types of assets.
- 8.2 We reserve the right to charge you for meeting any request you may decide to make as under paragraph 24.4 of the general terms.

## 9. How your ISA may be invested

- 9.1 Your ISA under the Sanlam Portal is a stocks and shares ISA. The Sanlam Portal ISA may hold cash. As it is not a cash ISA, such a holding should be viewed as temporary, pending investment.
- 9.2 Where cash is held in your ISA, interest will be paid in the same way as interest is paid on client money as set out in the general terms. Currently, such interest payments are not subject to a tax charge. There is no requirement for you to inform HMRC of the interest received or tax charge made on any cash held in your ISA.

## 10. Withdrawals under your ISA

- 10.1 If you want to make withdrawals from your ISA you may do so on a regular or ad hoc basis. Please refer to paragraph 23 of the general terms for more details about withdrawals. You should be aware, however, that once you have reached the ISA subscription limit for a tax year you are not allowed to make further subscriptions to your ISA, regardless of any withdrawals.
- 10.2 The ISA regulations allow amounts withdrawn during a tax year to be replaced into an ISA during the same tax year without the replaced



funds counting towards the annual ISA subscription limit. Although legislation makes this possible, this is not currently a feature available under the Sanlam Portal ISA.

10.3 You may request regular withdrawals to be made from your Sanlam ISA at a frequency and timing agreed with us. Regular withdrawals are available as a fixed monetary amount or as an annual percentage of the total value of your ISA at the time of the proposed withdrawal.

10.4 **'Income sweep facility'**: you may elect to receive income payments of dividend and interest receipts in relation to product holdings in your ISA on a periodic basis, subject to the income payment being more than a minimum level as set out in the charges and minima grid. You may choose to have any income accumulated paid to you monthly, quarterly, half yearly or annually in a calendar year. Where you select quarterly income it will be distributed at the end of March, June, September and December. Half yearly income distributions will be paid at the end of June and December. Annual income distributions will be paid at the end of December. If the total income generated by product holdings within your ISA is below the minimum payment amount on the relevant date, the balance will roll over to the following date for payment. No proceeds of any income from assets may be held within the ISA for more than 12 months.

The cash proceeds we receive and any other cash held in your existing investment account will be held in a designated client money account until all the transferring funds (the cash and assets to be re-registered) have been received by us. Please note that no interest will be paid on the cash proceeds while held in the designated client money account. We will then invest the cash proceeds and any other cash in your existing ISA in accordance with your instructions in the relevant product application form or we will credit your product cash facility pending investment instructions, as specified by you in the transfer authority form(s). Where the funds are being re-registered, all units in the fund that you hold with a fund manager or investment account provider will be re-registered.

11.2 If you re-register funds, the value of those funds may be affected by market movements, or if the fund manager of your previous ISA manager applied a charge prior to the transfer.

11.3 Following re-registration, if we receive income and/or cash in respect of your ISA which was transferred to a Sanlam Portal ISA, we will credit the product cash facility with the proceeds pending investment instruction. If we receive such income as additional fund units we will add the extra units into your product.

11.4 Transfers will only be accepted from an account in your name. You will need to complete a transfer authority form and return this to us and your existing ISA manager, with your written instructions.

11.5 We will not be responsible for any loss or delay caused in the transfer or payment of proceeds to us where this is due to something we cannot reasonably control.

11.6 If you instruct us in writing we can arrange for the transfer of your ISA to another ISA manager selected by you, provided that the manager agrees to the transfer and subject to any retentions or deductions we may be entitled or bound to make under these terms or the ISA regulations. Under normal circumstances, we will carry out the transfer within the time you have requested (subject to a maximum of 30 days). Occasionally, it may take longer to complete due

## 11. ISA transfers

11.1 We can accept the transfer of an existing cash ISA which you may have from another ISA manager. This must be in the form of a cash transfer and will be invested in accordance with your instructions. We can accept re-registrations of an existing stocks and shares ISA you may have with another ISA manager to the Sanlam Portal ISA through our online process. You can decide in the relevant transfer authority form(s) whether to transfer your stocks and shares ISA either by re-registration or by a cash transfer. If the ISA you transfer by re-registration holds funds or shares which cannot be re-registered, for whatever reason, your ceding provider will sell the relevant investments and the cash proceeds will be transferred to us.



to circumstances outside our control. Such circumstances may include where dealings in an asset have been suspended. In this eventuality, the notice period may be extended by seven days after the suspension ends. Transfers of assets from your ISA may be re-registered with your new ISA manager, subject to their agreement.

11.7 Transfers of your ISA to another ISA manager may be for:

- the full amount of your ISA subscriptions in the tax year of the transfer; and/or
- your ISA subscriptions for previous years in whole or in part.

Any transfer is only allowable where the remaining value of your ISA is above our minimum required balance at that time.

## 12. Closing your ISA

12.1 You may close your ISA at any time by giving us at least 30 days' written notice. We will liquidate the product holdings in your ISA and transfer the cash to you or, at your request, we will arrange for the re-registration of your product holdings to you, subject to any retentions or deductions we may be entitled or bound to make under these terms or under the ISA regulations.

12.2 These ISA terms will continue to apply to your ISA until all outstanding transactions and liabilities have been completed and discharged. Any closure is subject to the satisfaction of all your tax, settlement and other obligations relating to your account with us. You authorise us to keep, deduct or liquidate as appropriate from your ISA such product holdings as we may consider necessary to meet our obligations under the ISA regulations, any of your tax obligations or other obligations owed to us under these Terms.

12.3 We may close your ISA by notifying you in accordance with the ISA regulations. We will notify you if your ISA has become or will become void because of any failure, either on our part or on your part, to satisfy the ISA regulations. If your ISA is made void, you may lose part or all of your tax exemption. We are required to provide HMRC with full details of any void ISA, including the personal details of the investor.

## 13. In the event of your death

13.1 If we are notified that your death occurred before 6 April 2018, we will sell the assets in your ISA and hold the cash to the order of your executors or personal representatives. Any interest, dividends or gains arising after the date of death are subject to tax at the basic rate which we will be responsible for collecting.

13.2 If we are notified that your death occurred on or after 6 April 2018, your ISA will be designated a 'continuing account of a deceased investor' until the earlier of:

- completion of the administration of your estate;
- closure of the ISA; or
- the third anniversary of the date of your death.

We will advise your executors or personal representatives of their options and that the ISA can continue during the administration period for a maximum of three years.

13.3 A 'continuing account of a deceased investor' will continue to receive the tax advantages as per the ISA regulations and any interest, dividends or gains arising after the date of death are exempt from tax.

13.4 No subscriptions can be made into a 'continuing account of a deceased investor'.

13.5 Active management of the investments held within the 'continuing account of the deceased investor' will continue as per these existing Portal terms. A model portfolio fee will continue to be deducted, if applicable.

13.6 Any servicing agreement with your financial adviser and adviser fees being paid will be terminated on your death. Your executors or personal representatives will need to agree and sign a new agreement with your financial adviser if they wish for the servicing agreement and/or adviser fees to continue.

13.7 Your executors or personal representatives cannot request the transfer of a 'continuing account of the deceased investor' to an alternative ISA manager.

13.8 If, after a period of three years, the administration of the account is ongoing and the ISA has not been

closed, the ISA will cease to be a 'continuing account of the deceased investor'. In these circumstances, on the next working day following the third anniversary of your death, we will remove the ISA wrapper from the account and all subsequent income or gains will become taxable in the hands of the estate.

#### 14. Our dealings with HMRC

- 14.1 You authorise us to apply to HMRC on your behalf, as we determine appropriate, to make the necessary claims, conduct appeals, agree and pay on your behalf any liabilities for and of reliefs from tax in respect of your ISA, any account or individual assets thereunder. You authorise us to provide HMRC with all relevant information and documentation about you and your ISA.
- 14.2 We will seek to recover tax deducted at source from income receipts where possible.
- 14.3 If for any reason we become aware of a failure to comply with the ISA regulations, we will notify you if this causes your ISA to become void and therefore no longer exempt from tax. The value of any tax benefit is dependent on your personal circumstances. The tax position of ISAs is that which applies currently and is subject to change.
- 14.4 You agree to indemnify us and keep us indemnified at all times in respect of all taxes which may arise in connection with any of your subscriptions, transfers or product holdings under your ISA or any transactions which may relate to your ISA including, without limitation, any transfers of a ISA in whole or in part to or from your ISA or the closure of your ISA. For the avoidance of doubt, in this paragraph, 'you' includes your legal personal representatives.

## Section 4: The Personal Pension

This section of the document contains the terms and conditions which apply to the Personal Pension, in addition to the general terms.

For the purposes of this section of the terms, 'we' or 'us' in relation to the scheme, means the scheme administrator. Also, for the purposes of this section of the terms, 'you' means the person named in the *Product account schedule*. 'Your' has a corresponding meaning. In relation to the scheme (except for paragraphs 4 and 6 below), these references also mean any person (including a dependant) who becomes entitled to a benefit after the member's death.

To the extent there is any conflict or inconsistency between the general terms and these Personal Pension terms, these Personal Pension terms shall take precedence in relation to the provision of the Personal Pension.

In this section, references to 'payment dates' refers to the date(s) selected for the payment of benefits in respect of your Personal Pension. If a payment date does not fall on a business day, payment will be made on the business day preceding the payment date. References to 'arrangements' mean the aggregate of all your sub accounts, except for any transfer of crystallised rights that each has its own arrangement, unless you were informed otherwise, in accordance with the rules. The definition of drawdown pension is defined in tax law. In this section, this means (i) flexi-access drawdown and is when your member fund remains invested and you can draw unlimited amounts from your member fund up to the value of your member fund, or (ii) where you have transferred in an existing capped drawdown fund, capped drawdown, which is subject to inherited limits from the transferring scheme as set by the government.

### 1. Structure of your Personal Pension

1.1 The scheme provider is responsible for establishing the scheme and issuing your Personal Pension as part of the master pension policy to the scheme trustee on your behalf. All assets in which your Personal Pension is invested form part of the long-term business fund of the scheme provider. Accordingly, you

do not have any legal or beneficial rights of ownership in the assets of your member fund, but you have a contractual right to the payment of benefits in accordance with these Personal Pension terms.

1.2 The scheme administrator is appointed by the scheme provider to administer the scheme on its behalf and is responsible for administering the scheme in accordance with the rules. A copy of the rules is available upon written request.

1.3 The scheme is a registered pension scheme with HMRC. This means that the scheme must comply with statutory provisions relating to the contributions and benefits that can be paid out without incurring a tax charge. Payments outside these provisions are known as 'unauthorised payments'.

1.4 Your Personal Pension is your arrangement for the purposes of tax law and will be treated as a single arrangement, except where legislation requires or we inform you otherwise.

1.5 When you become a member of the scheme, we will create a member fund for your Personal Pension to record the assets which the scheme holds for your benefit which are recorded entirely separately from all other member funds. It is important for you to understand that your benefits are limited to those assets in your member fund and you have no rights or interests over the member fund of any other person, except to the extent that we agree, at our discretion, to pay benefits on the death of another member.

1.6 Your member fund will be sub-divided into a number of sub accounts. This is for our administrative convenience because it allows us to identify different types of benefits which we hold for you separately.

1.7 It is important for us to be able to identify separately those parts of your member fund which, for example, are (a) being used to

pay you income in the form of drawdown pension, (b) that part which has not yet crystallised and is receiving contributions and (c) that part which consists of a transfer payment which already provides you with drawdown pension.

1.8 In these terms, when benefits start to be paid to you, the part of the member fund which is used to pay you benefits is said to be crystallised, and the part which is not yet used to pay you benefits is referred to as uncrystallised.

1.9 You should note that contributions that may be paid into the scheme by you (or on your behalf) and the benefits that you are able to draw from the scheme (both in respect of amount and timing) can be subject to restrictions in legislation in the form of tax penalties if certain limits are exceeded. Similarly, some types of investment are subject to tax penalties, and you may be liable to pay tax on any income paid to your member fund derived from a trading activity. In these terms we have referred to 'tax law', which is defined as Part 4 of the Finance Act 2004 and regulations made under it and any subsequent enactments or regulations relating to relevant tax legislation. The law may change in the future and it is important that you review your Personal Pension with your adviser on a regular basis.

## 2. Personal Pension agreement

2.1 The general terms and these Personal Pension terms set out the basis on which we provide you with our services in relation to your Personal Pension. Your Personal Pension is also subject to any powers that are given to us, or any restrictions contained in, the rules.

2.2 Any instruction which you give to us must be in the form which we use for that purpose unless we agree otherwise. The general terms contain further information about how we receive and accept instructions.

## 3. Becoming a member of the scheme

3.1 You may join the scheme if:

(a) normally you or your guardian have completed our application form to join the scheme to our satisfaction;

(b) we agree that you may join; and

(c) you are:

- resident in the UK;
- an individual on whose behalf a guardian is required to sign;
- working overseas as a Crown servant; or
- the spouse or civil partner of a Crown servant working overseas.

3.2 Normally you will have one or more sub accounts for each type of contribution paid and transfer received. Each time you start taking benefits from part of an uncrystallised sub-account that part will be moved to a crystallised sub-account within the same arrangement, or exceptionally, to a new arrangement. Any sub-accounts not used to pay benefits will remain uncrystallised.

## 4. Paying contributions

4.1 Once you have joined the scheme you may pay contributions to it provided you have not reached the age of 75. We will also accept contributions from your employer or another person who wants to pay contributions on your behalf.

4.2 Contributions may be made into the scheme as a single one-off payment, or as regular payments at frequencies permitted by us.

4.3 Contributions made by you or on your behalf may be paid to your member fund:

(a) if they are single contributions, by bank transfer or cheque;

(b) if they are regular contributions, by Direct Debit; or

(c) in any other form permitted by us.

If we decide to allow contributions to be paid in the form of a transfer of assets (also known as in specie contributions), you (or if appropriate, your employer) must provide a schedule of the proposed assets to be transferred and you will be advised if these are acceptable. You will be told if there are any assets on that schedule which are not acceptable to us.

4.4 We reserve the right to vary the method by which we receive payment of contributions.

- 4.5 The amount and (if appropriate) frequency and duration of the contributions to your sub-accounts are as shown in the *Product account schedule*.
- 4.6 Contributions paid by you or on your behalf must be equal to, or greater than, our minimum amounts. The minimum amounts depend on whether benefits have crystallised and the frequency of payment. The current minima are set out in the charges and minima grid attached to the *Key features and product guide* document.
- 4.7 While there is no limit on the amount that may be contributed to the scheme, your own contributions will only attract tax relief on an amount up to 100% of your relevant UK earnings in the tax year, or currently £3,600 if greater. This limit also applies to contributions paid by anyone other than your employer on your behalf. We will normally only accept contributions that are tax-relievable. Employer contributions are treated as being paid gross, and any corporation tax relief to which it is entitled may be granted.
- 4.8 Tax penalties may be charged if your pension savings to all schemes exceeds the available annual allowance in a pension input period, including accrual of benefits under an employer's defined benefits (such as final salary) pension scheme. Unused annual allowance from up to previous three tax years may, subject to HMRC conditions, be carried forward to the current tax year. Where a tax-relievable contribution has been made to your member fund that is higher than the amount on which tax relief is available for that tax year, a refund of the non tax-relievable contribution will normally be made to the payer and the tax relief refunded to HMRC. This is subject to the proviso that the refund can be paid as an authorised member payment. Assets may have to be sold to make the refund and you will be charged for any consequent transaction costs. We also reserve the right to make a charge for any administration costs incurred by us.
- 4.9 Before a contribution can be paid as a contribution net of basic rate tax we must receive certain information and declarations from you. This information is set out in the relevant application form.
- 4.10 The contributions which you pay, and contributions which are paid on your behalf and any tax relief paid directly to the scheme by HMRC will be credited to an uncrystallised sub-account on the date that each element of the contribution is cleared money in accordance with the general terms. Contributions may not be paid to crystallised sub-accounts, although you may pay contributions in the normal way that are immediately designated to a crystallised sub-account.
- 4.11 All contributions paid by you or on your behalf will be credited to an uncrystallised sub-account before deduction of any adviser fees to ensure you receive tax relief on the total contributions paid if applicable.
- 4.12 It is your responsibility to ensure that you qualify for tax relief on any contributions that you pay, or that are paid on your behalf. You must inform us if an event occurs, for example you cease to have any 'relevant UK earnings', and as a result you are no longer entitled to tax relief for an earlier contribution. You must do this by the later of:
- (a) 5 April in the year of assessment in which the event occurs; or
  - (b) 30 days after the event occurred.
- 4.13 Where the level of basic rate tax changes, we will continue to collect the revised net equivalent of the gross contribution. We will notify you of any change in respect of a Direct Debit agreement prior to the event.
- 5. Increasing, stopping and limiting contributions**
- 5.1 You can increase, reduce or stop the regular contributions you make at any time. You must write to us using our standard form if you want us to increase or reduce your contributions or stop a Direct Debit. We can refuse at any time to accept:
- any further payments to your account; or
  - any regular contribution that is below a minimum set by us.
- 5.2 Where regular contributions are being paid, you can ask for them to automatically increase each year by a fixed percentage (up to 10%) or

in line with the index. The regular contribution will increase each year on the anniversary of the day on which the first regular contribution was made (the 'increase date').

- 5.3 Each year, before the increase date, you will be told what the new level of regular contribution will be from the forthcoming increase date. Unless you tell us to collect a different amount, we will then collect that new level of regular contribution until the following increase date.
- 5.4 If you choose increases in line with the index, the increase will be calculated by using the figure in the index for the month that is five months before the month which the increase date occurs (for example, for an increase date in June, the index figure for the preceding January is used). If the index goes down, the regular payment will stay the same until the index used at the next increase date rises again above its previous highest level. If the government changes the basis used to calculate the index, another basis may be used that will give similar increases and you will be advised accordingly.
- 5.5 You can ask for the regular contributions to stop increasing automatically at any time.
- 5.6 We may refuse to accept any further contributions to your member fund.

## 6. Transfers into the scheme

- 6.1 At your request, we may accept the transfer of any other pension entitlement you may have in another registered pension scheme or recognised overseas pension scheme to the scheme.
- 6.2 A transfer payment will not be accepted if it is smaller than our minimum payment at that time. Where more than one transfer payment is made as part of an application, the minimum applies to the total of those transfer payments.
- 6.3 A transfer payment to the scheme can be made of both crystallised and uncrystallised funds. If a transfer payment consists of both, we will credit them to separate sub accounts for each type. A transfer in of crystallised pension rights must be made to a separate arrangement.

- 6.4 Transfer payments into your account can be made by bank transfer or cheque. These payments can be made at any time.
- 6.5 If we decide to allow you to make a transfer in the form of the transfer of assets held by another registered pension scheme you must make a written request to us in the first instance, enclosing a schedule of the assets to be transferred. We will then inform you if these are acceptable.
- 6.6 Any adviser fees will be deducted from your transfer payment after this has been credited to your sub-account(s).
- 6.7 If you wish to take pension benefits, including any pension commencement lump sum to which you may be entitled, immediately following receipt of a transfer payment, we will pay your pension commencement lump sum to you before deduction of any adviser fees.

## 7. Transfers out of the scheme

- 7.1 You may instruct us to transfer your benefits under the scheme to another registered pension scheme or qualifying recognised overseas pension scheme (QROPS).
- 7.2 If you have divorced or dissolved a civil partnership and a court has made a pension sharing order in relation to your Personal Pension, by arrangement with your ex-spouse or ex-civil partner a transfer payment may also be made to another registered pension scheme of any pension sharing benefits (such as pension credit) credited to your spouse or civil partner.
- 7.3 A transfer may be made of:
- (a) the whole or part of the uncrystallised benefits in your member fund; and/or
  - (b) all of your crystallised benefits in your member fund.
- If you ask to transfer only part of your member fund, you must state which sub accounts should be transferred. You are required to keep the minimum balance in your member fund after the transfer. Please note though that we will not allow a partial transfer of any sub-account.
- 7.4 Any transfers made must be recognised transfers which are authorised by HMRC.



- 7.5 The assets comprising your member fund will normally be realised into cash prior to the date the transfer is to be made. You must ensure that there is sufficient cash held in your member fund to pay the transfer value, or liquidate all of the assets of the member fund if all of your Personal Pension is to be transferred. However, we may decide to allow you to request that we give effect to the transfer by transferring the ownership of the assets of your member fund to the trustee/scheme administrator of the receiving pension scheme.
- 7.6 Payment of the transfer value will release us from our obligations under the scheme in respect of that part of your account to which the transfer relates.

#### Restoration order

- 7.7 If a restoration order in respect of your rights under the scheme is received, it must be complied with.
- 7.8 If you have not ensured that there is sufficient cash available to make the payment, assets will be realised to pay the amount that we are directed to pay under the restoration order. Investments will normally be realised in the proportion the amount required bears to the total value of the member fund.

#### 8. Minimum personal pension assets

You are required to keep a minimum balance in your member fund. This amount is referred to in these terms as the 'minimum balance'. The amount of the minimum balance for your member fund is described in the charges and minima grid, but we may change it from time to time by notifying you in writing in advance. This may mean that your choice of benefit payments may be limited if you are not able to maintain the minimum balance at that time.

#### 9. Negative cash balances

- 9.1 You agree to ensure that your member fund has sufficient cash at all times to meet any charges, costs or liabilities that we are entitled to charge to your member fund.
- 9.2 We will not allow your member fund to become overdrawn, but if there is insufficient cash to cover any debits we will sell assets in accordance with paragraph 18.5 of the general terms.

#### 10. Investment transactions

- 10.1 We may choose to extend the range of investments available under your Personal Pension. However, all assets held under your Personal Pension must fall within the regulator's linking rules. If we do extend the investment range you may not invest in any asset or in any way that would incur a tax penalty or tax charge.
- 10.2 All investment transactions from your Personal Pension must be carried out on a commercial basis. If we extend the class of eligible assets, we reserve the right to decline to make an investment in a particular asset for any reason we deem appropriate, and the right to dispose of any assets that are subsequently deemed by us to be an unacceptable asset.
- 10.3 We do not accept any liability for any tax charges should you, your adviser or portfolio manager, invest in assets that are deemed to be taxable property by the tax rules, nor in respect of any assets which are not permissible under the regulator's linking rules. If taxable property or a non-permitted asset has been purchased by the portfolio manager, this asset must be sold forthwith. We will not be liable for any loss or cost incurred in disposing of them.

#### 11. Benefit payments from the scheme at pension age

- 11.1 As the scheme is a registered pension scheme, you are not entitled to any benefits that are not authorised under tax law. This section sets out how your benefits can be paid.
- 11.2 Your member fund will remain uncrystallised until benefits come into payment when:
- (a) we apply the whole, or part of, the member fund to provide benefits at your chosen pension age, for example, when a lump sum payment may become due; or
  - (b) we carry out your instructions to pay benefits.
- Once we have provided benefits, the part of the member fund which is used to secure these benefits will become crystallised.
- 11.3 It is your responsibility to ensure you are properly advised about

the benefits that may be paid by a pension scheme that is registered under tax law.

- 11.4 Benefits may not normally be paid unless you have:
- reached the age of 55;
  - reached your protected pension age;
  - satisfied any other conditions for the payment of a lump sum and/or pension; or
  - died.

The statutory conditions for the payment of an ill-health pension will require us to obtain evidence from a registered medical practitioner that you are (and will continue to be) incapable of carrying on your occupation because of physical or mental impairment.

- 11.5 The rules give us the power to decide how benefits are paid after you have died. We request that you make a nomination in writing of who you would like to receive benefits after your death and to keep that nomination up to date. However, we cannot be bound by your nomination.

## 12. Your instructions to start receiving pension benefits

- 12.1 We will provide benefits for you in accordance with instructions received from you or your adviser (please refer to the general terms about instructions).
- 12.2 Each time you ask to start taking benefits from part of an uncrystallised sub-account, that part will be designated to a crystallised sub-account.
- 12.3 We will not take any steps to start the payment of benefits to you until we have received these instructions from you in a form acceptable to us and we agree to put them into payment.
- 12.4 If we have not received instructions from you by your 75th birthday, we are required to test your member fund against the lifetime allowance on that date. If you do not provide us with the information we require to do that test, and if we believe you or we might be liable to a lifetime allowance charge at that time, we will be entitled to deduct an amount to cover the tax charge which we

believe might be payable and to deal with it in accordance with paragraph 26 ('Taxation').

- 12.5 When you die and any of your sub-accounts are uncrystallised, they will immediately crystallise.

## 13. Your lump sum payments

- 13.1 You may choose to take part of your member fund as a tax-free cash sum provided this qualifies as a pension commencement lump sum. Normally, 25% of the fund being crystallised may be taken as a lump sum, which is currently tax free. It may be higher if you have protected lump sum rights as at 5 April 2006.
- 13.2 If you are in serious ill health as defined in tax law, you may receive your pension fund as a lump sum. This will be tax free unless it is paid at age 75 or over, or if the amount paid exceeds the available lifetime allowance.
- 13.3 You must ensure that there is sufficient cash in your member fund to make the lump sum payment before it is paid to you.

## 14. Your pension payments

- 14.1 Pensions under the scheme shall be provided as drawdown pension or by the purchase of a lifetime annuity. We may refuse to provide you with drawdown pension if the value of your member fund is lower than our minimum required to commence drawdown pension.
- 14.2 You may instruct us to crystallise the whole of your member fund or just part of it. If your member fund comprises a number of sub-accounts:
- (a) if any of the sub-accounts are designated for the purchase of a lifetime annuity, the whole of the sub accounts must be used for the purchase; but
  - (b) if you are starting drawdown pension, you may (if you wish) apply only part of the sub-accounts at that time, and defer the remainder for a later date under the phased drawdown pension option, details of which are provided in paragraph 20.

## 15. Benefits payable on your death

- 15.1 The death benefit may be paid as one or more lump sums, or used to provide an income for your beneficiary/ies.
- 15.2 We will, in accordance with the rules, use our discretion to decide who should receive any lump sum or pension death benefit and in what proportion. We request that you make a nomination in writing to us of who you would like to pay the death benefit to and, where appropriate, that person's relationship with you. However, we are not bound to pay in accordance with any nomination.
- 15.3 If we have exercised our discretion to pay a lump sum to a beneficiary they may ask us to instead pay them a beneficiary's pension income, but we shall not be obliged to agree.
- 15.4 If you have no dependants and have either uncrystallised benefits and are over 75, or you are receiving drawdown pension when you die, your member fund may be paid free of tax to a charity nominated by you.
- 15.5 We will not normally realise assets until the beneficiaries have been determined. Where the beneficiary has the option to take beneficiary's drawdown pension, a period of notice will be given to the beneficiary to tell us of the form in which they wish to take benefits. We will, if appropriate, realise assets on receiving the beneficiaries' instructions or on the expiry of the period of notice. However, we retain the right to sell assets at any time to provide benefits.
- 15.6 The value of the death benefit will be calculated using the value of the sub-accounts after sufficient assets of the sub-accounts have been realised.
- 15.7 Payment of the death benefit in the form of a lump sum death benefit will release us from our obligations under your member fund.
- 15.8 Any benefits payable on death will be tested against the lifetime allowance unless a test has already occurred.

## 16. Beneficiaries' benefits

- 16.1 Where a sub-account is designated to provide a beneficiary's pension benefit, each beneficiary can ask for his or her beneficiary's sub-account to be used to:

- (a) provide a lump sum benefit to them;
- (b) provide drawdown pension to them from the date of designation of the beneficiary's sub-account; or
- (c) provide a beneficiary's annuity payable to them from your date of death.

- 16.2 Each beneficiary can tell us how they want their beneficiary's sub-account to be invested from the options described and subject to these terms. Unless advised otherwise, we will continue to invest the beneficiary's sub-account as for your member fund.
- 16.3 On the death of a beneficiary, similar options will apply to any successors nominated by the beneficiaries.

## 17. Lifetime annuities

- 17.1 Where you have purchased a lifetime annuity from a crystallised sub-account, the benefits payable will be in accordance with the terms of the annuity you applied for at its inception.
- 17.2 The lifetime annuity may be purchased on the basis that it will continue to be paid to a beneficiary. For example, the annuity may provide for payments to increase at a predetermined rate and may include a guarantee that a minimum number of payments will be made should you die within the guarantee period specified at the outset.
- 17.3 The annuity may be purchased from Sanlam Life & Pensions UK Ltd or from any other insurance company. You may be able to get better terms or an annuity that better suits your needs, particularly if your health is impaired, from another insurance company.

## 18. Beneficiary's annuity

- 18.1 You or your beneficiary may buy a beneficiary's annuity from Sanlam Life & Pensions UK Ltd or from any other insurance company. Your beneficiary can choose any type of beneficiary's annuity that is allowed by the rules. Sanlam Life & Pensions UK Ltd may not offer all the beneficiary's annuity options that may be available from another insurance company.

18.2 Your beneficiary can use a beneficiary's sub-account to buy a beneficiary's annuity payable to them from your death, or use all (or part) of a beneficiary's sub-account to buy a beneficiary's annuity after taking beneficiary's drawdown pension.

18.3 Your beneficiary may exercise any of these options by making a request to which we agree and in a form acceptable to us.

18.4 If your beneficiary dies before using all of their beneficiary's sub-account to buy a beneficiary's annuity, all of the assets held for that beneficiary under the scheme will be realised and the cash proceeds (less any charges) used to provide a lump sum death benefit in accordance with the rules, except where we use our discretion to use the death benefit to provide an income for a successor nominated by your beneficiary.

18.5 If you have no other surviving dependants and you have nominated a charity, and the beneficiary who is receiving drawdown pension dies, all of the assets held for that beneficiary under the account will be realised and the proceeds (less any charges) paid to your nominated charity, or if you have made no such nomination, to your beneficiary's nominated charity.

### 19. Drawdown pension: general provisions

19.1 This paragraph applies to you if you have chosen to receive payments in the form of drawdown pension, and it applies with any necessary changes to any of your beneficiaries after your death if they have chosen to receive payments in the form of beneficiary's drawdown pension.

19.2 If you or your beneficiaries have elected to receive payments in the form of drawdown pension, you can withdraw any amount up to the value of your member fund.

19.3 You or your beneficiary can ask for your gross drawdown pension income to be a set sum of money (including £0), subject to our minimum withdrawal amount. The same income basis does not need to apply to all crystallised sub-accounts.

19.4 You or your beneficiary can increase, decrease, stop or restart a drawdown pension. Payments will continue in accordance with your most recent instructions until:

(a) the crystallised sub accounts have insufficient value to meet the payments;

(b) you or your beneficiary give us new instructions and we accept them;

(c) you buy a lifetime annuity, or your beneficiary buys a beneficiary's annuity, with the whole of the crystallised sub-accounts or beneficiary's sub-accounts that provided the drawdown pension; or

(d) you or the beneficiary die.

We reserve the right to pay the balance of your member fund as drawdown pension if the member fund falls below our minimum balance.

Payment will also be suspended if there is not enough cash in your product cash facility.

19.5 You or your beneficiary can also ask for additional one-off payments to be paid on a selected payment date and subject to seven business days' notice prior to that date. A change to the level of drawdown pension is subject to at least seven working days' notice before the next payment date. We will put a request for an additional one-off payment into effect on either the business day following the day we receive the request in a form acceptable to us, and subject to our required notice period, or the date you or your beneficiary/ies select, whichever is later.

19.6 Drawdown pension will be paid from the cash held in the sub-account or beneficiary's sub-account. You or your beneficiary or your adviser have to ensure that there is sufficient cash to pay the drawdown pension income together with the charges detailed in the charges and minima grid. If the cash is not sufficient we will realise assets in accordance with paragraph 18.5 of the general terms.

### 20. Phased drawdown pension

20.1 You can use your member fund to provide part or all of your income. While this option is in place, your income is made up of your lump sum and/or drawdown pension.

20.2 You may start taking benefits from a part of your uncrystallised sub-account and only take benefits

from a further part as you need to increase your income.

- 20.3 If the value of your member fund is less than our minimum balance at that time we reserve the right to pay the balance of your member fund as drawdown pension so that it extinguishes the remainder of your member fund.

### 21. Beneficiary's drawdown pension: additional provisions

- 21.1 Agreement will not be given to a beneficiary remaining in the Personal Pension with a drawdown pension unless they have agreed to be bound by our terms available at that time.
- 21.2 The adviser who acts for you may also act for your beneficiaries, provided that we will allow a beneficiary to appoint an alternative financial adviser if he has an agreement with us in respect of your Personal Pension.
- The beneficiary may not invest in the model portfolio unless they appoint an adviser who offers this service.
- If we have not given agreement under this paragraph, the beneficiary will have the choice of a lump sum payment within the tax law, to take a transfer to another registered pension scheme or to buy a beneficiary's annuity.

### 22. Documents and evidence

- 22.1 We will require acceptable proof of your age and identity, or if applicable, that of your beneficiaries before we pay any benefits under your Personal Pension. We may also require other documentation and evidence from you or from any other person who is to receive benefits, and we will confirm our requirements at the time.
- 22.2 At our discretion, we will accept photocopies which have been certified as true copies of the originals by either a UK lawyer, banker, authorised financial intermediary, regulated mortgage broker, accountant, teacher, doctor or minister of religion. We reserve the right not to pay benefits until we have contacted the person who certified the documents and they have confirmed the authenticity of those documents.

### 23. Form of benefit payment

- 23.1 Benefit payment made to you, or to your beneficiaries after your death, may be paid in money form (cheque, direct transfer or via BACS payments). It is your responsibility to ensure that there is sufficient cash in your Personal Pension to:
- (a) make any benefit payments that are due to you; or
  - (b) provide the purchase price of any lifetime annuity which you buy from another insurance company.

If there is insufficient cash to make these payments, assets must be realised to provide sufficient cash.

- 23.2 Where pension benefits are paid by us, or by Sanlam Life & Pensions UK Limited, they are paid monthly, unless you ask us to pay them every three months, half yearly or once a year.
- 23.3 Payments of benefits to any person are made on one of the payment dates in each month. If that date is not a business day, payment will be made on the business day which immediately precedes it.
- 23.4 We reserve the right to vary the method by which you receive payments.

### 24. Arranging benefit payments

- 24.1 We reserve the right to indefinitely delay the payment of benefits until, in our opinion, there are sufficient assets held in the form of cash in the member fund to give effect to your request or to pay the death benefit.
- 24.2 If there is insufficient cash, we will realise assets in accordance with paragraph 18.5 of the general terms.

### 25. Accounting and investment statements

- 25.1 We will maintain records of all transactions and provide you with statements of your recent transaction history.

### 26. Taxation

- 26.1 This paragraph applies to your Personal Pension in addition to the general terms. In broad terms, benefits are taxable when they are paid to you. The following is a non-exhaustive list of how benefits are taxed when they are paid:

- (a) pension payments to you, which are taxed as pension income; and
- (b) a lump sum paid on or after reaching age 75, including any serious ill health lump sum, is subject to a tax charge, which we will advise before payment.

In addition, if we agree to make payments which are not authorised, such payments will be subject to tax penalties.

- 26.2 Death benefits under the lifetime allowance are not taxed if they are designated or paid on death before you reach age 75 and within two years of us being notified. They are designated or paid at our discretion, which normally means that no inheritance tax will be payable on them. However, inheritance tax is a complicated area and you should seek your own financial advice about this.
- 26.3 Taxation is used to limit the total amount of your pensions savings. You may be liable to an annual allowance charge if contributions exceed your available annual allowance (including any unused annual allowance that you are allowed to carry forward) in a pension input period. You may also be liable to a lifetime allowance charge if the total value of your pension funds under all schemes exceeds your available lifetime allowance when benefits crystallise or are deemed to crystallise at age 75, if later.
- 26.4 We shall deduct an amount from your member fund to meet any liability for a tax charge (including the tax charge mentioned in paragraph 27.2), fee, duty or penalty under the tax rules and shall arrange for payment to be made to HMRC. To do this, we shall be entitled to sell or realise any investments held by your member fund for a cash sum equal to the amount we believe may be payable.
- 26.5 If the liability for any tax charge, fee, duty or penalty is on a joint and several basis, where possible, we will write to you before making a deduction from your member fund to give you the opportunity to arrange payment directly to HMRC. We shall be deemed (as between us and you) to have discharged our obligations to meet that liability where we have acted in reliance on information provided in a declaration

signed by you or otherwise where we have acted in 'good faith' as set out in the tax law.

- 26.6 If you have provided incomplete or incorrect information within the declaration or have failed to provide a declaration, you will be personally liable for any additional charge or tax or any unpaid tax. We shall be entitled to recover any charges or tax raised on us by HMRC from the benefits payable from your member fund. To the extent that we are unable to recover such tax or charges from the member's benefits under the scheme, you or your beneficiaries shall be personally liable to reimburse us.
- 26.7 If we believe you may be liable for a lifetime allowance charge, we shall be entitled to withhold benefits up to the value of the charge which we believe may be due to pay for the charge. However, on receiving evidence from you that the amount of that charge actually payable from the scheme is less than the amount withheld, we shall reduce the withheld amount accordingly.
- 26.8 By law you must pay any annual allowance charge for which you may be liable.
- 26.9 The pension input period will end on 5 April after the first contribution is paid.

## 27. Your liability to us

- 27.1 You and your beneficiaries shall indemnify and keep indemnified the scheme provider, the scheme trustee and us against all expenses, charges, taxes and disbursements ('member liabilities') in respect of the administration, operation, management and investment of member funds under the scheme.
- 27.2 If you do, or fail to do, anything, and as a result we become liable for a scheme sanction charge, you must pay us an amount equal to that charge. If you do not pay us, we shall be entitled to deduct an amount equal to the charge from your member fund.
- 27.3 We shall be entitled to deduct any member liabilities directly from your member fund provided that you have not otherwise notified and agreed in writing with us that you would prefer to meet the member liabilities outside of the scheme.



27.4 Where member liabilities exceed the value of your entitlement under your member fund, we reserve the right to recover the difference from you outside of the scheme.

## 28. Pension sharing order

28.1 We will implement any pension sharing order made in relation to your Personal Pension. This means that:

- (a) you must provide us with any information and evidence which we need to implement the pension sharing order;
- (b) following implementation, your member fund shall be reduced by the amount of the applicable debit representing the portion of your pension that has been split; and
- (c) any pension credit awarded to your spouse or civil partner shall be discharged by transferring it to another registered pension scheme or if we permit by setting up a new and separate personal pension for your ex-spouse or ex-civil partner under the scheme.

28.2 If we use any part of a crystallised sub account under your Personal Pension to pay a transfer value for your ex-spouse or ex-civil partner under a pension sharing order, the maximum income that applies under any capped drawdown pension will be recalculated on the transfer date after the transfer value is deducted. The new limit will apply to your capped drawdown pension from the start of its next pension year. This calculation will not be made if the transfer date occurs in a pension year that ends with the end of the reference period.

## 29. Other Personal Pension conditions

- 29.1 If your date of birth or the date of birth of any other person who becomes entitled to benefits under your member fund is incorrectly stated at any time, the benefits will be adjusted so as to reflect the correct date of birth as given in the evidence of age provided.
- 29.2 While the intention is not to make any unauthorised payments, we may at our absolute discretion make an unauthorised payment. Where

we exercise such discretion, we shall deduct such amounts as we reasonably believe will cover any scheme sanction charge or any other charge arising as a consequence of making that payment from the member's fund, the beneficiary's sub account and/or (as relevant) the benefits paid.

## 30. If you have a complaint

In addition to the complaint procedure outlined in 32.1 of the general terms, if your complaint concerns the administration of your member fund, you may be referred to:

The Pensions Advisory Service  
11 Belgrave Road  
London SW1V 1RB  
T 0800 011 3797  
E [enquiries@pensionsadvisoryservice.org.uk](mailto:enquiries@pensionsadvisoryservice.org.uk)

## 31. Terminating your Personal Pension

The scheme provider may direct us to terminate the scheme at any time. However, the Personal Pension shall continue until the payment of a transfer value to another registered pension scheme, a qualified recognised overseas pension scheme or the payment of benefits has been made in the appropriate form. No fees or charges at that time paid shall be refunded and those payable shall remain so. Termination will be without prejudice to the completion of the transactions already initiated and paying any expenses or fees due to the scheme provider or other parties.

## Section 5: The Onshore Bond

This section of the document contains the terms and conditions that will apply, in addition to the general terms, to the Onshore Bond. For the purposes of this section, the 'life company' or 'we' means Sanlam Life & Pensions UK Limited only and 'us' and 'our' shall be construed accordingly. To the extent there is any conflict or inconsistency between the general terms and these Onshore Bond terms, these Onshore Bond terms shall take precedence in relation to the provision of the Sanlam Portal Onshore Bond. These Onshore Bond terms apply to you as the policyholder(s) who applies for the Onshore Bond and as identified in the *Product account schedule* for your Onshore Bond.

The following definitions apply to the Onshore Bond, in addition to the definitions in the general terms:

**Death benefit:** the lump sum payable on the death of a life assured.

**Life assured:** the individual or individuals named against that heading in the Product Account Schedule.

**Personal portfolio bond:** as defined under Section 516 Income Tax (Trading and Other Income) Act 2005.

### 1. Our status and the status of the Onshore Bond

- 1.1 The life company is the provider of the Onshore Bond and issues the Onshore Bond in accordance with HMRC regulations and the regulator's rules. Any premium received from you under the Onshore Bond by the Life company forms part of its long-term business funds.
- 1.2 The Onshore Bond is a single premium whole of life bond. It is issued as one thousand separate policies (or such other number as stated in the Product account schedule), each of which is a separate contract and each of which is identical to the other at the commencement date of the Onshore Bond (this is the date of receipt of the initial premium as specified in the *Product account schedule*). These Onshore Bond terms apply to

the Onshore Bond as a whole and to each of its constituent policies. Unless otherwise permitted by the life company, the exercise by you of any option in respect of a policy, is subject to the restriction that it must be exercised in the same way for all constituent policies comprising the Onshore Bond, with the exception of an option to encash a policy which is not subject to such a restriction. For the avoidance of doubt, reference to the Onshore Bond shall be deemed to mean all of the separate policies (identified in the *Product account schedule*) which have not been encashed at any time.

### 2. Acceptance of your application for an Onshore Bond

- 2.1 These Onshore Bond terms will come into effect when we notify you in writing that your application form and initial premium has been accepted by us. These Onshore Bond terms will then be binding upon you but you do have a right to cancel (please see paragraph 5 of the general terms).
- 2.2 Your application form must be in a form acceptable to us, as provided in the general terms. In addition, there are certain conditions which must be fulfilled in respect of your eligibility and the premiums for the Onshore Bond.

### 3. Eligibility and life assured

- 3.1 For us to establish an Onshore Bond for you, you must be 18 years of age or over and either resident in the UK or UK domiciled.
- 3.2 You may apply jointly for an Onshore Bond. For individuals acting in their own capacity, there may be two joint holders. In respect of trustees, we permit up to four joint owners. Joint holders will be jointly and severally liable for each other's obligations as set out in the general terms (paragraph 34).
- 3.3 Currently, the Onshore Bond may have up to six lives assured.

## 4. Premiums

Premiums are a single payment and any other payments you make for your Onshore Bond. All premiums, initial and top ups are subject to minimum payment amounts set by the life company from time to time. For details of the current minimum payment amount please refer to the charges and minima grid.

## 5. Initial premium

- 5.1 Your initial premium to the life company is recorded in the *Product account schedule*. This amount is divided in equal proportions across all policies comprising your Onshore Bond.
- 5.2 Any initial adviser fees you have agreed with your adviser and which we are to facilitate, will be deducted from your premium before investment in your Onshore Bond.

## 6. Additional premiums or 'top ups'

- 6.1 Regular premiums are not allowed for your Onshore Bond. However, you may top up your initial premium by paying additional premiums to the Onshore Bond at any time before the benefits become payable. The additional premium is divided in equal proportions across all policies comprising your Onshore Bond.
- 6.2 As per paragraph 5.2, any initial adviser fees to which you have agreed will be deducted before the additional premium is applied to your Onshore Bond.

## 7. Ownership of cash and assets

Ownership of cash or assets held within your Onshore Bond and all associated rights or interests in such product holdings, vests entirely in the life company. Your entitlement to the benefits provided by your Onshore Bond does not create any right of ownership or other legal or beneficial right or interest for you or your nominee, in the product holdings or in any assets that may be acquired via the Onshore Bond.

## 8. Investment under the Onshore Bond

- 8.1 You may choose to invest your Onshore Bond in accordance with either the Model Portfolio Service or the Select Funds Service (or such other investment option that may be made available under the Sanlam Portal) subject to the conditions stated below. The value of the

Onshore Bond will be determined by the value of your product holdings from time to time.

- 8.2 Any investment under the Onshore Bond is subject to the following overriding conditions:
- (a) the asset is available for investment under the Sanlam Portal;
  - (b) the asset falls within the regulator's linking rules;
  - (c) the asset is available to all other policyholders of this class of policy and investment in the asset does not at any time cause the Onshore Bond to be a Personal Portfolio Bond; and
  - (d) the asset fulfils the due diligence criteria of the life company as an asset suitable for investment under the Onshore Bond including, but not limited to, evidence of liquidity and valuation of the asset in each case within a reasonable time.
- 8.3 If at any time the life company determines that an asset is not permissible as an asset to which the Onshore Bond may be linked, it will not be available for investment under the Sanlam Portal in relation to the Onshore Bond. If a non-permitted asset has already been purchased by the portfolio manager for the purposes of the Onshore Bond, such asset must be sold forthwith. The costs of such a transaction, including any cost consequent upon a fall in the value of the asset, will be charged to the product cash facility.
- 8.4 Any investment instructions must be in writing and comply with the general terms. The life company will carry out such investment instructions as set out in the general terms subject to the above conditions.

## 9. Taxation of assets and cash under your Onshore Bond

- 9.1 Withholding tax deducted from UK dividends meets the life company's liability to corporation tax on assets held within your Onshore Bond. Any other dividends that may arise, any gains on selling such assets and any interest that may accrue to the product cash facility are subject to corporation tax at the rates that apply to the life company as a life assurance company on its life fund.

9.2 We will deduct from the product cash facility an appropriate proportion of the allowance for the corporation tax on the life company's life fund. This amount will not exceed the amount of all the taxes which would be payable in respect of the product holdings if:

- (a) the product holdings comprised the whole of our life fund;
- (b) no allowance was made for expenses of the product holdings; and
- (c) no allowance was made for any other business we might undertake.

The deduction of this tax from the product cash facility is treated as fulfilling your liability to basic rate tax for the Onshore Bond.

9.3 If you are a higher or additional rate taxpayer at the time a chargeable event occurs or the gain makes you a higher rate taxpayer, a further amount of tax will become payable. A chargeable event will normally occur in the following circumstances: on full encashment; on assignment in certain circumstances; on the death benefit becoming payable; or if withdrawals exceed an allowance for the deferral of tax of 5% per annum cumulative for 20 years. We are required to inform HMRC in these circumstances and to issue you with a chargeable event certificate.

9.4 Where you have agreed for ongoing adviser fees to be paid from your Onshore Bond, the payment of those fees will count towards the 5% tax-deferred allowance referred to in paragraph 9.3.

9.5 The tax status of the Onshore Bond is dependent on current UK tax law and regulation which is subject to change. The value of any tax benefit is dependent on the policyholder's personal circumstances. The life company will not be liable for your personal tax circumstances or your tax treatment consequent on holding an Onshore Bond.

amounts and minimum product balance requirements (please see the charges and minima grid). A full withdrawal may be made in accordance with section 23 of the general terms.

10.2 If you make a single withdrawal we will assume that it will be in equal proportions from all the policies comprising the Onshore Bond, unless you request that whole policies are to be encashed.

10.3 If you would like us to organise regular withdrawals from your Onshore Bond, this is something we can arrange for you. Regular withdrawals are available as a fixed monetary amount, or as an annual percentage of the total premiums paid to your Onshore Bond. Please note that all regular withdrawals are subject to a maximum percentage per annum of the total amount of premiums paid for your Onshore Bond (please see charges and minima grid). You may choose the frequency and payment dates of regular withdrawals from the options set out in the application form.

10.4 You may elect to receive income payments of dividend and interest receipts in relation to the product holdings within your Onshore Bond on a periodic basis. This is described as an 'income sweep facility'. Payment will be made as for regular withdrawals, except that if the total income generated by product holdings within your Onshore Bond is below the minimum payment amount on the relevant payment date, the balance will roll over to the following payment date. Please note that the maximum limits for regular withdrawals in the charges and minima grid will not apply to the income sweep facility. If by using this income sweep facility, the amount of income withdrawn exceeds the annual tax-deferred allowance set by HMRC (currently 5% per annum for a maximum of 20 years' cumulative of premiums paid), a chargeable event will occur which may result in additional tax.

## 10. Withdrawals under your Onshore Bond

10.1 If you want to make withdrawals from your Onshore Bond, you may do so on a regular or ad hoc basis. Please refer to paragraph 23 of the general terms for more details about withdrawals. All withdrawals are subject to our minimum payment

## 11. Death benefit

11.1 On the death of a sole life assured, we will pay the death benefit. If there is more than one life assured named in the *Product account schedule*, the death benefit will be paid either on

- the first or last of the lives assured to die as specified in the Product account schedule.
- 11.2 On receiving written notice of the death of a life assured that brings about the payment of the death benefit, we will instruct the asset provider to sell the relevant product holdings to which the value of the Onshore Bond is linked.
- 11.3 The death benefit is 100.1% of the balance of the product cash facility after all assets held within the Onshore Bond have been sold and the proceeds of sale have been transferred to it and after deduction of all applicable charges, tax and costs.
- 11.4 Payment will only be made when all our requirements have been met, including evidence of death of relevant life assured and entitlement to benefit has been established to our satisfaction. The payment of the death benefit brings the Onshore Bond to a close and will release the life company from all obligations under the Onshore Bond.
- 12.4 The acceptance of a notice of assignment will not lead to the creation of a new Onshore Bond. Where an assignment results in constituent policies, which together make up an Onshore Bond, being owned by different persons, each owner will be subject to these terms and conditions, including the product charges as outlined in paragraph 19 of the general terms and the charges and minima grid.
- 12.5 It should be noted that we are not able to provide advice on the suitability or otherwise of assigning your Onshore Bond, nor can we comment on any tax implications that may arise. You should speak to your adviser and, if necessary, seek legal and taxation advice before making any decision to assign your Onshore Bond in whole or in part.

## 12. Assignment of your Onshore Bond

- 12.1 At the absolute discretion of the life company, you may assign the Onshore Bond in whole or in part by assignment of constituent whole policies, to another party (the assignee). You shall be required to obtain the life company's prior written consent and give written notice to the life company of the third-party assignee and the proposed date that the assignment will take place.
- 12.2 Acceptance by the life company of an assignment will be subject to the assignee agreeing to such terms and conditions as the life company may provide at that time. In addition, any proposed assignment is subject to the general terms, in particular regarding the continuation of appointment of an adviser (paragraph 8) by the assignee.
- 12.3 We reserve the right to refuse to accept a notice of assignment, for example where the assignee does not meet the product eligibility criteria.



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