

# Scottish Widows Platform

Terms and Conditions



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Please read this document carefully so you fully understand the implications of any financial decisions, and keep it safe for future reference. Where we use a technical term it is explained in the glossary in Appendix B.

Scottish Widows Platform does not offer financial advice and we always recommend you seek independent financial advice before making any investment decisions. If you don't currently have a Financial Adviser, you can find one at [unbiased.co.uk](https://www.unbiased.co.uk).

We have used plain English wherever we can but avoiding technical terms is not always possible.

“You” or “your” means any legal person or persons (including trustees, the Professional Trustee, Companies and in the case of the Junior ISA and Junior Personal Pension, the Registered Contact) which hold a Scottish Widows Platform Account.

“Scottish Widows Platform” means Embark Investment Services Limited, registered number 09955930, FCA registration number 737356.

“Us”, “our” and “we” means the Scottish Widows Platform.

Words in singular shall include plural and words in plural shall include singular.

# 1

# General Terms and Conditions

## 1.1 Our Contract With You

We offer a number of Products on the Scottish Widows Platform that are only available to you through Accounts on the Scottish Widows Platform.

The terms and conditions upon which an Account will be provided by us includes the General Terms and Conditions found in this section and the relevant additional Terms. The additional Terms and Conditions for the Scottish Widows Personal Pension and Scottish Widows Junior Personal Pension can be found in Section 2, the additional Terms for the Scottish Widows ISA can be found in Section 3, the additional Terms for the Scottish Widows JISA can be found in Section 4, the additional Terms for the Scottish Widows GIA can be found in Section 5, and the additional Terms of the Scottish Widows TPIA can be found in Section 6.

The General Terms and Conditions described above together with the terms contained in the additional documents listed below (as applicable to you) describe the legal Terms of agreement between you and us (the “Terms & Conditions”) upon which we will provide the Accounts to you.

The additional documents are:

- Client Terms of Use (to access your online Account Services);
- Scottish Widows Personal Pension member declaration;
- Scottish Widows ISA and/or JISA declaration(s);
- Key Features Document for the Scottish Widows Personal Pension Account and Scottish Widows Junior Personal Pension Account;
- Key Features Document for the Scottish Widows ISA Account;
- Key Features Document for the Scottish Widows JISA Account;
- Key Features Document for the Scottish Widows GIA Account;
- Scottish Widows Personal Pension Key Features illustration (for Scottish Widows Personal Pension only);
- Sterling Fund Panel and Death Benefit Life Cover Additional Terms;

- Confirmation Schedule; and
- Charges Information Document.

The Terms & Conditions become legally binding on you and us when we confirm that we have accepted an application by you to open a Scottish Widows Platform Account made on your behalf by a Financial Adviser. We confirm this to you when we send you the Confirmation Schedule. If, for whatever reason, we cannot accept an application to open an Account for you, we will inform your Financial Adviser and no Scottish Widows Platform Account will be set up.

In the event of your death, or for Accounts held in trust, the death of the last surviving trustee, unless otherwise indicated, these terms and conditions will be binding on your legal personal representatives.

Unless we agree otherwise, only your Financial Adviser can apply to open an Account on your behalf and must do so in line with Section 1.4 of these Terms & Conditions.

We will require a separate application to be made for each Scottish Widows Platform Account to be opened with us. Our acceptance of the first application for a Scottish Widows Platform Account does not mean that we will accept your application for any further Scottish Widows Platform Accounts.

Each individual Account holder, and, where applicable, each Joint Holder, Junior, Trustee and Registered Contact must meet the requirements (where applicable) set out in these Terms.

We may transfer all or part of our rights and obligations under our Terms & Conditions with you to another firm. We will not ask for your consent to do this, except where required by regulation, but will only do so if we receive undertakings from that other firm that your rights under these Terms & Conditions will not be prejudiced in any way. You will be provided with the Data Privacy notice of the other firm ahead of any transfer of data to them, explaining how your personal data will be used by them.

## 1.2 Roles And Responsibilities

### 1.2.1 Our Role And Responsibilities

We are the provider of the Scottish Widows Platform Products as detailed in Section 1.1.

We classify you as a “Retail Client” under the Financial Conduct Authority (FCA) Rules.

We will:

- operate your Scottish Widows Platform Account in line with these Terms & Conditions, the FCA Rules and any other Applicable Laws;
- use due care and diligence in operating your Scottish Widows Platform Account;
- act reasonably, proportionately and fairly, in line with the FCA Rules or any other Applicable Laws when we use our discretion, make a decision, or require information, in accordance with these Terms & Conditions;
- act on an execution-only basis, meaning we will not give any financial, legal, tax or similar advice relating to your Scottish Widows Platform Accounts or any Instruction or Trade Instruction in respect of an Investment that you make;
- act on complete Instructions or Trade Instructions received from your Financial Adviser, You and any appointed Discretionary Investment Manager acting on your behalf;
- remit Adviser Charges which you have agreed may be deducted from your Account;
- remit Discretionary Investment Manager Model Portfolio Charges which you and your Financial Adviser have agreed may be deducted from your relevant Account;
- where applicable, collect regular contributions from your nominated bank account on the collection date selected by your Financial Adviser;
- transmit Trade Instructions to buy and sell Assets to the appropriate Fund Manager, or our Stockbroker Partner (see Section 1.10), in line with our Order Execution Policy (see Section 7.6);
- hold your Assets and Cash in line with the FCA CASS 6 Custody Rules and CASS 7 Client Money Rules; and
- make a statement available to you on how the Investments in your Account are performing every three months from the start date of the first Account that is opened with us, together with any other information regulators require us to send to you from time to time.

We may, from time to time, delegate some of our functions to Trusted Third Parties.

We will not:

- exercise any judgement on your behalf as to the merits of any Instructions or Trade Instructions we receive or on any Assets you invest into;
- be responsible for the performance of any Assets you invest into;
- be responsible for the acts and omissions of any Fund Manager, Financial Adviser, Discretionary Investment Manager, our Banking Partner, our Stockbroker Partner, or Trusted Third Parties except if they arise as a result of our negligence or wilful default in line with Section 1.19.4;
- be responsible for the unavailability of access to a Scottish Widows Platform Account during core operational hours due to interruptions that are not planned, or outside the core operational hours for any interruptions whatsoever;

- be responsible for a delay in the buying and selling of Assets caused by the unavailability of our Stockbroker Partner’s computer systems; or
- be responsible for events beyond our reasonable control in line with Section 1.19.1.

For the avoidance of doubt, we will not be responsible for Quote and Deal basis trades which are submitted and fail due to your error, your Financial Adviser’s error or a Trusted Third Party error at any stage of the process, or due to unforeseen systems delays or market occurrences that may occur, and which are beyond our reasonable control.

### 1.2.2 Financial Adviser’s Role And Their Responsibilities

You acknowledge that, where applicable, your Financial Adviser shall act as your agent and is responsible for:

- complying fully with all Applicable Laws;
- maintaining at all times all authorisations, licences, permits, registrations and notifications required under FCA Rules for the purposes of providing you with advice including meeting all obligations and complying fully with the FCA Rules;
- advising us immediately if any of these necessary authorisations, licences, permits, registrations or notifications are withdrawn, suspended, cancelled or varied;
- notifying us immediately if there is any material breach of any of these Terms & Conditions by you;
- assessing your current circumstances, any existing arrangements and providing financial advice and recommendations suitable to your circumstances in line with the Applicable Laws and the FCA Rules;
- assessing the suitability (or where applicable, the appropriateness) for you of an Account and any other Services or underlying Investments;
- explaining, agreeing and documenting all Adviser Charges agreed with you related to any advice provided to open an Account and the purchase or sale of underlying Assets within an Account;
- making all necessary disclosures to you and ensuring you receive the relevant Key Features Document, these Terms & Conditions and any other documentation or disclosures required to be made by us, Fund Managers, FCA Rules, and Applicable Laws;
- where you are moving to a new financial Adviser or adviser firm and this gives rise to different account charges, ensuring that you are aware of the new charges.
- promptly passing on to you all documentation or information that we provide, without amendments, whether through our Online Services or by other means as well as direct;
- obtaining appropriate permission from you before providing us Instructions or Trade Instructions on your behalf;
- providing us with your Trade Instructions relating to buying and selling Assets;
- setting and managing your level of access to our online services;
- explaining to you the Services provided by any Discretionary Investment Manager appointed by your Financial Adviser and the Discretionary Investment Manager Portfolio Charges that will apply to you and which are deducted from the relevant Model Portfolio for those Services;

- the provision of key information documentation relating to the Discretionary Investment Manager Model Portfolio;
- obtaining your agreement before investing your money into a Discretionary Investment Manager Model Portfolio as described in Section 1.9.3;
- ensuring that they have an appropriate agreement in place, if required, between themselves and the Discretionary Investment Manager to use the Model Portfolio, and to ensure they are aware of any changes made to it;
- implementing any personal identification procedures required for the purposes of compliance with the Joint Money Laundering Steering Group guidance as may be amended from time to time, before instructing us to open an Account for you;
- providing identification evidence to verify your identity in accordance with the Applicable Laws or your bank details as we may require from time to time;
- providing copies of records and accounts connected with any business placed on your behalf through Scottish Widows Platform, for example a signed agreement of Adviser Charges; and
- completeness and accuracy of any communication sent to us electronically via our Online Services or other digital or electronic format.

Your Financial Adviser Firm and your Financial Adviser must have agreed to our Adviser Terms of Business relating to the use of the Scottish Widows Platform before they can provide us with any Instruction or Trade Instruction on your behalf. We will then provide your Financial Adviser Firm and Financial Adviser with the appropriate access rights for the management and administration of your Scottish Widows Platform Account. They will continue to have authority to act on your behalf until you have notified us that this authority has ended or our agreement with your Financial Adviser Firm has ended.

### 1.2.3 Your Responsibilities

You agree that:

- unless we otherwise agree, you will retain a Financial Adviser who has an appropriate agreement with us to manage your Account;
- dependant on the level of access provided to you by your Financial Adviser, you or your Financial Adviser will be responsible for providing your Instructions and Trade Instructions to in accordance with clause 1.15;
- where your Financial Adviser has permissioned you to service your Account directly you will be bound by the Scottish Widows Platform Client Terms of Use and any Instructions and Trade Instructions provided to us will be accurate;
- you will provide us and your Financial Adviser with a current email address with which we can contact you and you will advise us and your Financial Adviser promptly should the email address change;
- you will regularly log on to your online Scottish Widows Platform Account to review your Account(s) as well as any communication or documentation we may add to your Document Library from time to time;

- where you have purchased a Discretionary Investment Manager Model Portfolio, the Discretionary Investment Manager has your authority to instruct us to buy and sell Assets in your Model Portfolio, in line with the objectives of the Model Portfolio;
- we will act on the Trade Instructions received from the Discretionary Investment Manager as if they were your own;
- we may facilitate the payment of any Discretionary Investment Manager Model Portfolio Charges agreed between you, your Financial Adviser and the Discretionary Investment Manager to the Discretionary Investment Manager;
- if you no longer want to be invested in a Model Portfolio managed by a Discretionary Investment Manager, you must tell your Financial Adviser immediately;
- you will tell your Financial Adviser and/or update your online Account as soon as possible of any changes in your circumstances or status, for example, changes to your name, where you live, email address or bank or building society account or citizenship or country of tax residence;
- you will notify us as soon as possible if you end your agreement with your Financial Adviser;
- you will tell us immediately if you do not recognise any transaction, or if you know or suspect that any Instruction or Trade Instruction you have authorised has been carried out incorrectly;
- you will comply with any request for information we require to complete checks to verify your identity and/or provide any identification we request for anti-money laundering purposes, in line with our anti-money laundering obligations;
- you will provide us promptly with any additional information we require to operate your Scottish Widows Platform Account which we request;
- in the event there is insufficient Cash or Assets within your Account to pay any Charges, you will pay those Charges yourself to us in accordance with our Instructions; and
- you acknowledge that where your personal records are not complete including not having provided us with your National Insurance Number, we may not be able to proceed with any Instruction or Trade Instruction until this information has been received.

### 1.3 Eligibility

To be eligible to open a Scottish Widows Platform Account you must be:

- at least 18 years old; or you are a Junior on whose behalf a Registered Contact opens an Account, and
- resident in the UK for tax purposes for at least 6 months. In the case of Trust Accounts all Trustees must be UK resident at the time of opening the Scottish Widows Platform Account or the Settlers must have been UK resident at the time the Trust was created with at least one current UK resident Trustee. Or you must be a crown employee serving overseas or their spouse or civil partner, and

- have an ongoing relationship with a Financial Adviser.

Both you and your Financial Adviser are jointly responsible for determining whether you meet these eligibility criteria.

You may not open an Account if you, or the Registered Contact in the case of a Junior ISA or Junior Personal Pension, are a US Person. No Trustee on a Trust Account can be a US Person.

If, after opening an Account your eligibility status changes, it is the responsibility of you and your Financial Adviser to tell us immediately, as you may no longer be eligible to contribute or keep the Account open.

## 1.4 Applying For a Scottish Widows Account

Please note this Section 1.4 does not apply to the Scottish Widows TPIA. For more information on applying for a Scottish Widows TPIA please see section 6.1.

A Scottish Widows Platform Account can be opened with a minimum payment of £50 paid regularly, as a one-off, or as a transfer.

To apply for a Scottish Widows Platform Account your Financial Adviser will complete and submit an electronic application on your behalf, as your agent, together with any documentation we require. By submitting your application your Financial Adviser confirms your acceptance to these Terms & Conditions.

Applications must be made together with:

- a payment which meets the minimum payment requirements, and/or
- a Direct Debit Instruction which meets the minimum payment requirements, and/or
- where you are opening an Account with a transfer, a fully completed Transfer Authority.

Your Scottish Widows Platform Account will be opened once we issue you with a Confirmation Schedule.

We have the right to refuse any application to open a Scottish Widows Platform Account.

You must ensure the correct Account reference details are included in all direct credit payments, to enable the funds to be allocated to your Account. Scottish Widows Platform will not be responsible if we are unable to match funds received for an Account with the Account reference details resulting in a delay in executing an Instruction or Trade Instruction from your Financial Adviser (for example to buy an Asset).

### 1.4.1 Applying For Other Accounts

Once you open your first Scottish Widows Platform Account, your Financial Adviser is able to open further Accounts for you. Your Financial Adviser will complete and submit an electronic application for each new Account and will provide us with any further documentation we may require.

## 1.5 Cancellation Rights

You have the right to cancel your application. On receipt of valid instructions to cancel, either in writing, by email or by telephone, we will process instructions to sell any assets

purchased with your payment or cash transfer in line with Sections 1.5.1 and 1.5.2, as well as our Order Execution Policy (Appendix A). We will not return a cancelled payment until the payment has cleared.

We will return payments to the source from which we receive them or to the registered contact in the case of the Junior Stocks and Shares ISA.

Additional cancellation terms apply to the Scottish Widows Personal Pension (Section 2.2), Scottish Widows ISA (Section 3.3) and Scottish Widows Junior ISA (Section 4.3). No cancellation rights are available to the Scottish Widows TPIA (Section 6.3).

### 1.5.1 Cancellation Rights: Cash Contributions

On starting an Account with a regular payment, a one-off payment or cash transfer and for each subsequent cash transfer we will send you a Confirmation Schedule which will include details of “Your right to cancel”.

You will have a 30-day cancellation period that will start from the date you receive the Confirmation Schedule.

If you exercise your right to cancel an Account during the 30-day cancellation period, what you get back will depend on the type of payment we receive:

- For a regular payment, we will repay the payment we received at the start of the Account, less any Adviser Charges we have deducted.
- For a cash transfer or one-off payment, we will return the payment, less any fall in the value of the assets purchased with that payment, less any Adviser Charges we have deducted. We will also not refund you any charges applied by third parties as described in section 1.12.

You may still be liable for any outstanding Adviser Charges which we have not deducted.

Any gain in the value of your assets up to the point at which you cancel will not be returned to you if you cancel an Account during the 30-day cancellation period. Any gain will be retained by us and paid to a registered Charity of our choice.

### 1.5.2 Cancellation: Re-Registering Assets

Where you open an Account by Re-Registering Assets only, as described in Section 1.8, and you decide to cancel, we will look to stop the re-registration process before it begins. However, if the process to re-register Assets has already started, we will be unable to stop the transaction. You and your Financial Adviser will therefore need to arrange to re-register the Assets back to your previous provider (or a new provider) as a transfer out, before we can cancel the Account.

## 1.6 Accessing Your Scottish Widows Platform Account Online

As a Scottish Widows Platform Client you will be given access to view your Account online. This access is available from when the first Account is opened by us.

We will send you a username to allow you to access the Online Service. This is sent to you by email to the email address provided to us by your Financial Adviser. By logging in you

confirm your acceptance with our Client Terms of Use for the Scottish Widows Platform Online Service.

It is your responsibility to keep all your Account details including your username and password safe and secure and ensure they cannot be accessed by others.

If it has been permissioned by us, or your Financial Adviser, you will be given Self-Service access to your Account online. If you are in any doubt whether this applies to you or you would like to change the level of access that you have been provided with, then please contact your Financial Adviser.

We will take all reasonable steps to ensure your Account is available online at any time. There will be times when we need to interrupt our Online Service to perform maintenance.

As further described in our Client Terms of Use you must take all reasonable precautions to prevent unauthorised use of your username and password and inform us if you become aware or suspect someone else knows these details and you want the Account blocked.

Your online Account access will allow you to view details of your Account for example, where your money is invested and the investment values. It also has an online Document Library that allows you to view Account literature and your Charges Information Document together with other documents and statements applicable to the administration of your Account. Your Charges Information Document includes details of your Adviser Charges and Discretionary Investment Manager Model Portfolio Charges and other Charges.

Any Instructions to change personal details or contact details on your Account may be made by your Financial Adviser or directed by you. It is important that you maintain the email address we have for you to ensure that any important communications or alerts are received. You should also make sure that your email settings are set up to receive emails from us.

If you open a further Scottish Widows Platform Account, you will automatically be able to view all the details and documents for the new Accounts under the same username and password.

## 1.7 Contributions Into Your Account

Subject to any restrictions detailed in Sections 2.3, 3.4 and 6.11, contributions to your Account can be made in the following ways:

- regular contributions by Direct Debit
- one-off contributions by BACS, CHAPS, Faster Payment or cheque
- one-off contributions by debit card (Self-Service Accounts only)
- cash transfers and re-registration of Assets from other providers for certain transfers in accordance with section 1.8.

The Charges are described in our Scottish Widows Client Charges Guide. For TPIA Accounts contributions will be paid by the Third Party Provider and not directly from you.

On identifying a contribution for an Account and receipt of all required information, we will match the contribution with any associated Instructions or Trade Instructions.

We will process Trade Instructions to buy the Assets specified as soon as reasonably practicable, and (where applicable) in line with our Order Execution Policy (see Section 7.6).

If we are unable to match the contribution with an Account, we will return the contribution as soon as practicable to the bank or building society from which the payment came. If the contribution is by cheque, we will return the cheque to you.

We may also return contributions in the event that:

- we receive a contribution before we receive an electronic application from your Financial Adviser, as described in section 1.4; or
- the value of the payment received differs significantly from the amount you or your Financial Adviser advised us we would receive.

We reserve the right to refuse any contribution at our discretion.

### 1.7.1 Regular Contributions

You can make regular contributions monthly, quarterly, half-yearly and yearly by Direct Debit from a bank or building society account that we have verified as suitable from a fraud prevention viewpoint. You can start and stop regular contributions at any time. Where requested Direct Debits must have a valid signature from the bank or building society account holder(s).

The collection date for contributions must be a date from the 1st to 28th of the month.

We will process Direct Debit Instructions as soon as reasonably practicable after we receive them. Where an Instruction is received by us within 10 days of an intended collection date, the collection will not happen until the following scheduled collection date. If a collection date is not a Business Day, we will collect it on the next Business Day.

It is possible to set up more than one Direct Debit for an Account. Each Direct Debit can have a different collection date provided it is a date within the period beginning on the 1st and ending on the 28th of the month. There is no limit on the number of Direct Debits which can be created.

You can also change the amount or frequency of regular contributions into your Account, for example yearly to monthly. Where this is requested, and a Direct Debit is currently in place, you/your Financial Adviser may be required to cancel the existing Direct Debit and then provide a new Direct Debit Instruction for the new contributions.

Where Direct Debits are set up for different Accounts (Personal Pension / Junior Personal Pension / ISA / JISA / GIA) then the collection date can be different for each Account.

### 1.7.2 Failed Contributions

Where a re-registration application and transfer cannot be completed from your existing provider, we will contact your Financial Adviser to request revised Instructions. We will not be liable for any losses of any kind arising from such delay to your Account.

Where we buy Assets on your behalf and the Direct Debit, BACS, CHAPS or other payment method is not honoured, we will sell any assets we have bought on your behalf in expectation of that payment.

You will be responsible for any losses we incur from any transactions that result from any payment that is not honoured, up to the value of your Account. We will do this by deducting it from Available Cash and, if there is insufficient Available Cash, by selling Assets in line with our Disinvestment Strategy described in Section 1.13.

## 1.8 Transfers By Re-Registration

If recommended by your Financial Adviser, and after agreement with us, you will be able to re-register existing Assets from another provider to a Scottish Widows Platform Account as part of a transfer. Further details and restrictions are detailed in Section 2.3 and 3.4 as appropriate.

Where full re-registration is selected, you agree to us proceeding with the re-registration on the following terms:

- where the Assets or Cash held with the ceding provider differ from those stated in the Instruction we will continue to execute the Re-Registration Instruction and transfer of Cash subject to any applicable Account Terms. All Cash once transferred to us will be treated as Available Cash.
- where the Assets or Cash are held with the ceding provider and are Investments that are not able to be held on the Scottish Widows Platform, we will instruct the ceding provider to sell those Assets prior to executing the re-registration transfer with the proceeds paid over as Cash instead. This Cash will be added to the Account as Available Cash and will not be invested until an Instruction or Trade Instruction is received on how it should be used.

Where partial re-registration is selected, we shall execute the re-registration Instruction in accordance with your Financial Adviser's Instructions. However, if applicable, you agree to us proceeding with the re-registration on the following terms:

- in the event the value of, or the number of units in any Asset held with the ceding provider is less than the value or number of units in the said Asset described in the re-registration Instruction received from the Financial Adviser, we will re-register 100% of the said Asset from the ceding provider unless otherwise advised by your Financial Adviser.
- in the event the value of Cash held with the ceding provider is less than the value of the Cash described in the re-registration Instruction or Cash Transfer Instruction, we will request the transfer of the full amount of the Cash to us unless otherwise advised by your Financial Adviser. Subject to any applicable Account Terms or Instructions, all Cash once transferred to us will be treated as Available Cash.

We reserve the right to refuse any re-registration transfer at our discretion.

## 1.9 Assets And Cash Assets

A wide range of Assets will be available through the Scottish Widows Platform. For the purposes of these Terms & Conditions the Assets are made up of either Mutual Funds or Exchange-Traded Instruments (ETIs). You/Your Financial Adviser will be able to view our full range of Assets available through the Scottish Widows Platform.

Assets have varying degrees of risks associated with them. Your Financial Adviser can explain the risks associated with the Assets you invest in. You should read the relevant Key Investor Information Document (KIID), Key Information Document (KID) or Prospectus for any Fund or PRIIP you wish to invest in as these will contain important information that could influence your decision.

Where you have appointed one, your Financial Adviser is responsible for assessing the suitability and continuing suitability of the investments you wish to make.

If you wish to place an Instruction yourself into Complex Assets then we are required to assess whether it is appropriate to allow you to access this type of Asset before we carry out any Trade Instruction.

To do this we will ask each Account Holder to complete an Appropriateness Test to determine whether you have the necessary experience and knowledge to understand the risks involved in dealing in the Asset. However, we will not assess whether that Trade Instruction is appropriate to your needs and circumstances nor will we assess suitability.

If you do not complete the Appropriateness Test Form or if we determine that you do not have the appropriate knowledge or experience for that type of complex Investment, then you will not be able to place the Trade Instruction through your online Account. If you already hold that type of complex Asset then you will be able to retain these in your Account, or sell them, however you will not be able to buy any more.

We may, acting reasonably, make amendments to the types of Assets we allow in an Account. Where there is a regulatory, legal or operation requirement to remove an Asset from the Scottish Widows Platform or from any particular Account, we may sell down all of the holdings in that Asset after first giving you 30 days' notice.

If you are invested in an Asset that is no longer available in that Account, and we require you to take action, we will tell you, your Financial Adviser or their appointed Discretionary Investment Manager what your options are at that time. This may include a sale default action if we do not receive any Instructions or Trade Instructions on how to proceed.

Where an Asset cannot be sold or transferred to you for a period of 6 months, you agree to relinquish all rights and interests including beneficial interests in the Assets. Where possible we will give you or your Financial Advisers 30 days' prior notice before we dispose of the Assets, either by:

- abandoning ownership of the Asset (for example in the case of a company in liquidation);
- novating ownership of the Asset to you without consideration; or
- selling the Asset to you.

A more detailed description of the types of Assets available is provided below.

### Mutual Funds

Are regulated collective investment schemes including:

- unit trusts;
- open-ended investment companies (OEICs);
- sociétés d'investissement à capital variable (SICAVs);
- any other permissible collective investment Scheme we make available to you through your Account.

## Exchange-Traded Instruments (ETIs)

Are listed securities available to us through our Stockbroker Partner, including:

- UK equities (company shares) listed on UK exchanges;
- UK Exchange-traded funds (ETFs);
- UK gilts (government bonds) and UK corporate bonds;
- UK investment trusts.
- A Crest Depository Interest (CDI) which represents an investment listed on an exchange outside of the UK.

## Asset Values

The performance of your Account generally reflects whether the value of your Assets has risen or fallen in the market. As such, we are not responsible for any loss in the value of your Assets unless it is caused by our negligence, fraud or wilful default in line with Section 1.19.4.

The price which we will use for the valuation of Assets in your Account(s) will be on a mid-price basis.

## Cash

Within each Account we offer the ability to hold Cash. We do this by providing access to a bank account operated by one of our Banking Partners. This bank account is not unique to you but holds amounts of money for all Scottish Widows Platform Account holders centrally in accordance with FCA Rules.

Our Banking Partners pay us a variable rate of interest on Cash held with them and they have the discretion to change the rate without notice.

We may retain a proportion of the interest we receive and pass the rest on to you less, where applicable, tax charges and/or any other deductions we are required to make by HM Revenue & Customs (HMRC).

Where interest is being earned it is accrued daily by the platform based on the rate that we define and calculated against the client's cash holdings that day. On the first of each month, the total of these accruals for all days in the prior month is applied to the client's account on platform, increasing their cash balance. The corresponding cash balance is paid into the client bank account on the same day. Where you instruct a full transfer or withdrawal from your account, we will pay any interest accrued when the transfer or withdrawal is made.

For more information on our Banking Partners and any interest currently being paid please go to [platform.scottishwidows.co.uk/client/banking-and-interest-rates/](https://platform.scottishwidows.co.uk/client/banking-and-interest-rates/)

Money that is held in your Account is treated as either Available Cash or Committed Cash.

Available Cash is any Cash that is not currently invested in Assets or identified as Committed Cash. The Available Cash may be used to invest in Assets, pay Charges or fund withdrawals. Available Cash is sourced from contributions made, the sale of Assets, investment income or interest received. We may from time to time elect to make amounts available to you prior to the amount being received by us.

Committed Cash is any Cash that a) has been ring-fenced to pay any fees, to complete an Instruction or a Trade Instruction

that has not reached the contractual settlement date, b) is required to complete a Voluntary Corporate Action, c) is from a payment source that has not cleared, for example a cheque or d) is cash held within Discretionary Investment Managers controlled model portfolios. It cannot be used to invest in Assets, pay Charges or fund withdrawals.

Your account may go into a negative balance if you do not hold sufficient Available Cash to pay for a transaction. In the event that your account goes into a negative, or you otherwise do not hold sufficient Available Cash, we will pay for the transaction until funds are subsequently received either as proceeds of a sale instructed by you or in line with our Disinvestment Strategy.

It is up to you and your Financial Adviser to ensure that you maintain enough Available Cash in your Scottish Widows Platform Account at all times, to ensure that Charges can be met on the date they fall due. If there is a lack of Available Cash to pay Charges, we will apply our automatic Disinvestment Strategy to make up any outstanding balance in accordance with Section 1.13.

Any Cash held in an Account may be eligible for interest payments. We may retain a proportion of the interest we receive from our Banking Partners to cover our costs of administration and therefore the rate of interest which is applied to your Account will be determined by us. This treatment of interest by us is detailed in the Key Features and in the Charges Information Document. We reserve the right to change the rate of interest we pay at any time.

If the overall interest we receive is less than 0% (a negative interest rate) we will pass the cost of depositing your cash holdings on to you.

Cash held in your Account is also protected up to prescribed limits by the FSCS. You can find out more about this in Section 1.19.7.

### 1.9.1 Investment Income

You may only automatically reinvest income from Mutual Funds which we will do if instructed by you/your Financial Adviser. All other income or Dividends received from Investments will be paid into your Account as Available Cash. If less than £1 becomes payable to you, we reserve the right to retain it and treat it as an additional miscellaneous charge. We reserve the right to increase this limit in future.

Please note that decisions relating to investment income made by you and your adviser will not apply to the investment income in Discretionary Investment Manager Portfolios.

If your Account allows and you choose to have income or Dividends paid to an external nominated bank account, then the income will firstly be applied to the Scottish Widows Platform Account it was generated in. This will occur at the point the Dividend or income is applied by us to your Account. The next action will depend on the frequency of the payment required, described as follows:

#### Periodic Withdrawal By Frequency

This is where you choose to receive an amount of income or Dividends at a regular periodic frequency set by you. The payment date of the Dividends or income is calculated forward from the date your Scottish Widows Platform Account was created. We will automatically add together any Dividends or income received into your Scottish Widows Platform

## Periodic Withdrawal By Minimum Amount

This is where you choose to receive a minimum payment of income or Dividends on a periodic basis. We will check your Scottish Widows Platform Account daily and add together any income or Dividends received into the Account since the last periodic withdrawal payment. Once the income and Dividends received exceeds the minimum payment amount specified by you (since the last payment date), we will then check the Available Cash balance on your Scottish Widows Platform Account and make the payment to you. If the Available Cash in the your Scottish Widows Platform Account is less than the value of the minimum payment amount, then the withdrawal will be created for this lesser amount.

Subject to certain limits, all regular withdrawals from your Account will be made by Faster Payment and will not require authorisation prior to being paid, otherwise the regular withdrawal will be by CHAPS.

### 1.9.2 Investment

Both you and your Financial Adviser must choose the Assets in which to invest your contributions from the Investments available on the Scottish Widows Platform.

Each regular contribution, one-off contribution or Cash Transfer must have an Instruction or Trade Instruction specifying how it should be allocated within the Account or it will be left as Available Cash in your Account. We will require details of this Instruction or Trade Instruction each time a one-off contribution or Cash Transfer is made, or there is a change in the level of regular contributions. You can have a different Instruction or Trade Instruction for each one-off contribution or Cash Transfer that is set up. It is also possible to change the Instruction or Trade Instruction for future regular contributions at any time.

If your Instruction or Trade Instruction includes an Asset that:

- has become subject to a Corporate Action described in Section 1.10.6, or
- has been withdrawn by us as an Asset available to invest into through the Scottish Widows Platform, or
- has become ineligible to hold in an Account, or
- the Asset is no longer available for investment in the market. Any future regular contributions relating to that Asset will be held as Available Cash in the relevant Account until we receive alternative Trade Instructions from your Financial Adviser on how to invest it.

### 1.9.3 Model Portfolios

Model Portfolios are only available if the Scottish Widows Platform Account is managed by a Financial Adviser.

A Model Portfolio can be provided by your Financial Adviser or through a Discretionary Investment Manager.

Model Portfolios may contain both Mutual Funds and ETIs. Although the overall value of your Model Portfolio will not be significantly affected, you acknowledge that because ETIs within a Model Portfolio are purchased by the Platform on a pooled basis as described in clause 1.10.5, after the Trade Instruction is executed you may hold a small positive Cash balance or a small negative cash balance within the Model Portfolio to account for the fact that the total value of the Cash used to execute the pooled Trade Instruction was not

enough to purchase a whole number of shares in an ETI.

In the event of the value of your ETI purchase trades is less than the cash held within your model portfolio your model portfolio will reflect a positive balance.

Each Model Portfolio will have a specific objective defined by the Discretionary Investment Manager or Financial Adviser and follow an investment strategy. It is the responsibility of the Discretionary Investment Manager or Financial Adviser to ensure that the Model Portfolio continues to meet its objective. They will therefore from time to time buy and sell Assets held within the Model Portfolio to make sure that it stays true to this objective. This is also called re-balancing.

Your Financial Adviser may identify that it is suitable for your circumstances to invest some or all of your Account in a Model Portfolio. Where they do so they will be responsible for ensuring your asset holdings continue to reflect that Model Portfolio. If the Model Portfolio changes, either the asset mix or the objectives, it is their responsibility to decide whether that change is suitable for your circumstances and provide us with appropriate instructions.

We will execute instructions received from your Financial Adviser to purchase a Model Portfolio for your Account. More than one Model Portfolio can be held in your Account.

Contributions are allocated to the Assets held in the Model Portfolio in accordance with how the Model Portfolio is set up. Your Financial Adviser will be able to tell you how your contributions in a Model Portfolio will be allocated.

Any cash included in a model portfolio is included for charges.

### 1.9.4 Discretionary Investment Managers

We treat the Instruction received from your Financial Adviser to purchase a Model Portfolio as an authorisation from you to allow the Discretionary Investment Manager to manage the Investments within the Model Portfolio until the Financial Adviser instructs us otherwise.

Your Financial Adviser is responsible for assessing the suitability of a Discretionary Investment Manager and the Discretionary Investment Manager's Model Portfolio for your needs.

Where we have been informed that the appointment of your Discretionary Investment Manager has ended, we will remove the Discretionary Investment Manager's ability to provide us with Instructions and Trade Instructions with respect to your Model Portfolio. We will also stop any ongoing Discretionary Investment Manager Model Portfolio Charges as soon as possible. The Terms upon which Discretionary Investment Manager Model Portfolio Charges are applied is explained in Section 1.12.

If we are already in the process of paying Discretionary Investment Manager Model Portfolio Charges prior to receiving notification, we will continue to make that payment. It will be your responsibility to agree with your Discretionary Investment Manager via your Financial Adviser if any refund is due.

Your Account will retain the underlying Assets that comprise the Model Portfolio on the day the Discretionary Investment Manager is removed. Any changes to these holdings will need to be actioned as a new Trade Instruction by your Financial Adviser.

## 1.10 Buying And Selling Assets

Assets will be bought or sold at the price given at the time the Instruction Trade is confirmed by either the Fund Manager or Stockbroker Partner. The timing of this confirmation will depend on when we receive the Trade Instructions from your Financial Adviser or the Discretionary Investment Manager, when we receive the contribution from you (if applicable), the type of Asset and the trading Terms applied by the Fund Manager or relevant stock exchange.

The Dealing Service for buying and selling ETIs listed on a stock exchange will be provided by our Stockbroker Partner. Assets will be held together in line with Section 1.11. You will not have an individually designated trading Account.

### 1.10.1 Trading Instructions

Trade Instructions to buy and sell Assets will be completed online on your behalf by either you, your Financial Adviser or Discretionary Investment Manager. These are then transmitted by us to the relevant Fund Manager or our Stockbroker Partner.

For ETIs, Trade Instructions are executed in line with our Order Execution Policy described in Appendix B.

Neither the Scottish Widows Platform, our Stockbroker Partner, or Fund Managers will give you advice on the suitability of any Trade Instruction requested by you or your Financial Adviser.

Trades will be executed on an "At Best" basis for Mutual Funds and ETIs. We will require confirmation from your Financial Adviser or Discretionary Investment Manager that this is the basis upon which a Trade Instruction is to be applied each time a Trade Instruction is provided to us.

### 1.10.2 Buying Assets

In order to buy Assets we will need to match an appropriate Trade Instruction with other information we may request together with one or more of the following:

- an appropriate payment along with a matching expectation;
- an appropriate Cash Transfer;
- sufficient Available Cash;
- receipt of sufficient investment income from a Mutual Fund where you have selected 'reinvestment' against your Account; or
- in the case of a sale and purchase of an Asset, confirmation that a sell Trade Instruction has settled.

Certain Assets may be subject to conditions which you must meet before trading in them. If you cannot meet these conditions, you will not be able to invest. We will not be responsible for any delay in processing your Trade Instruction whilst you provide further information necessary to show us that you meet the further conditions of investment.

Once verified, we will pass the Trade Instruction to buy Assets to the appropriate Fund Managers or our Stockbroker Partner in line with our Order Execution Policy. Once a Trade has been submitted (in other words the Instruction and the Cash are matched) on the Scottish Widows Platform the Trade cannot be cancelled ahead of market placement.

The minimum Trade value for buying Assets is £50.00 for ETIs and £0.01 for Mutual Funds, subject to any minimum purchase levels set by the Asset Manager.

You can set up a regular buy from Available Cash. This can be for a set term or indefinitely. The platform will check every month to see if you have sufficient Available Cash to place the buy and if you do it will trade. If you do not have sufficient Available Cash no trade will be placed that month but it will try again the following month.

### 1.10.3 Selling Assets

In order to sell Assets, we need an appropriate Trade Instruction and any other information as may be required by us. On receipt of this information, we will pass the Trade Instruction to sell Assets to the relevant Fund Manager or our Stockbroker Partner, in line with our Order Execution Policy.

If you wish to reinvest the proceeds from a sale of Assets into other Assets, this can be done through the 'switch' Online Service. Once the sale has been submitted to the appropriate Fund Managers or our Stockbroker Partner and the price of the sale is confirmed to us, then the Asset purchase will start.

If you change your investments using the 'switch' Online Service and do not instruct us otherwise, we will continue to apply any regular contribution with a Trade Instruction to the purchase of the Asset(s) you are switching out of. If you wish to change the Trade Instruction associated with the regular contribution, you/your Financial Adviser will need to cancel the existing Trade Instruction and set up a new one.

### 1.10.4 Settlement

We will settle Trade Instructions by way of Contractual Settlement on the settlement date shown on the contract note even where (depending upon the exchange on which your order is traded) we contract with underlying custodians on an Actual Settlement basis. This means that the crediting (and debiting) of Cash and Investments in your Account will occur on the due settlement date of your order (and not the actual settlement date, as it would under Actual Settlement). This means that in the event we do not receive proceeds from our custodian of an executed sale you have instructed, we will pay the amount to you.

For your convenience the following provisions shall apply:

- The value from sales of Assets within your Account will be reflected on your Account from the date your order is placed and will be available for the purposes of buying other investments. You will not be able to withdraw such sale proceeds from your Account until after 12pm on the settlement date shown on the contract note.
- Your Account will reflect any investments purchased, along with the associated costs, from the date of your order. You will be able to sell your investments immediately regardless of whether Actual Settlement has occurred, but the investments will not be available to withdraw from your Account until after Actual Settlement has occurred.
- We always act as your agent. Therefore, there may be circumstances beyond our control which mean that your transaction fails to achieve Actual Settlement. If this happens, we will use our reasonable endeavours to settle the transaction for you, but we may have to delay Contractual Settlement, close out, replace or reverse any such transaction to reflect the status of your purchase or sale. If such a settlement failure occurs we will notify you as soon as reasonably practicable to explain your options.

### 1.10.5 Incomplete Instructions And Uncompleted Trades

It is possible in certain circumstances that Trade Instructions are not completed, for example if an Asset has been suspended or because of incomplete or ambiguous Trade Instructions or because of insufficient Cash.

The Scottish Widows Platform will notify your Financial Adviser as to whether the Trade Instruction has completed or not, unless the Trade Instruction is a Trade Instruction to regularly buy Assets, and this Trade Instruction fails because of insufficient Cash. Any Available Cash in the Account for the incomplete Instruction will remain as Available Cash.

### 1.10.6 Aggregation Of Orders

For ETIs, Trade Instructions will be passed to our Stockbroker Partner as soon as they are successfully submitted during trading hours on Business Days only. Unless the Trade Instructions come from a Discretionary Investment Manager, in which case the Trade Instructions for ETIs will be aggregated at one of two fixed pooling points of either 10am or 3pm dependent upon when the rebalance is submitted and on Business Days only and then passed to our Stockbroker Partner.

For Mutual Funds, Trades will be passed from Scottish Widows Platform to our Trusted Third Party execution partner who will aggregate orders into the same Mutual Fund and same order type before passing to the Fund Manager ahead of the relevant Fund Valuation Point.

If necessary, we may delay processing a Trade Instruction due to circumstances beyond our control. In these circumstances, we will normally process the Trade Instruction on the first Business Day after the end of the period of delay.

You agree that, on instructing us to buy or sell an Asset, you/your Financial Adviser are also instructing us to process that Trade Instruction in the way we deem most efficient. Where we consider it necessary or where it is required by our Stockbroker Partner or other third party's Terms of Business, you agree to us paying Available Cash to such a third party before we have received title to the Assets on your behalf.

### 1.10.7 Corporate Actions

Certain types of Assets may at some point be subject to either a Voluntary Corporate Action or a Mandatory Corporate Action.

#### Voluntary Corporate Action

Where the Scottish Widows Platform determines that a Voluntary Corporate Action linked to your Investments has been raised, we will use reasonable endeavours to supply you/your Financial Adviser or Discretionary Investment Manager with details of:

- the Assets affected;
- the options available;
- the deadline for selection;
- the default option that will be applied in the event there is a late decision, or no decision is made at all unless we consider it impractical to do so.

It will be the responsibility of you/your Financial Adviser or Discretionary Investment Manager to confirm which option has been selected by the deadline date. Where a decision is received after the deadline date or no decision is made at all, we will take such action, or refrain from taking any action, as we, in our reasonable discretion, determine.

Where we determine that the decision required for a Voluntary Corporate Action could result in the holding of an Asset which in our view is not eligible to be held on the Scottish Widows Platform, we will not permit the selection of that option.

You acknowledge however that we rely on others for information of a Voluntary Corporate Action and when we send any such information to you, this is for ease of reference only. We accept no liability or responsibility for the accuracy of the information supplied to us.

There may be instances when we are not notified by the company, its registrar, CREST or our third party data provider of a Corporate Action (or are not provided with sufficient information in time by them) and as a result are unable to pass on the details to you. In such circumstances, we will not be liable to you for any loss suffered.

Where a Voluntary Corporate Action decision has an Available Cash implication, for example a rights issue where new shares can be purchased in proportion to existing holdings, the correct level of Available Cash must be in the Account at the time we process the action. In the event that the decision is being taken by your discretionary manager, sufficient Available cash must be available in the model at the time we process the action. Available Cash for a Voluntary Corporate Action decision will be moved to Committed Cash and ring-fenced from the deadline date until the action date.

#### Mandatory Corporate Actions

Where you are invested in a fund that is subject to a mandatory corporate action, we will assess the extent to which that corporate action will affect the fund, for example, if it materially changes the risk profile or structure of the fund.

If a corporate event materially affects a fund you are invested in, we will inform your adviser in advance or as soon as reasonably possible. It is the responsibility of your adviser to assess whether the fund remains suitable for your circumstances and to take any appropriate action.

Where we determine that the decision required for a Mandatory Corporate Action could result in the holding of an Asset which in our view is not eligible to be held on the Scottish Widows Platform, we will not permit the selection of that option, which could result in the holding being sold to Cash.

If a fund closes your adviser is responsible for informing you and for redirecting future payments, selecting alternative investment options and rebalancing the portfolio where applicable. If no action is taken, any holdings in the closing fund will be sold and the proceeds held as available cash in the relevant account or sub-account, together with any future payments due for that fund.

If a fund closes due to a merger or conversion, we will, providing the fund is eligible to be held on the Scottish Widows Platform, automatically switch your holding to the receiving fund but your adviser is responsible for re-directing

future payments due for that fund. If no action is taken, future payments will be held as available cash in the relevant account or sub-account.

If we know that you do not have a current adviser, we will inform you and you will be responsible for the action you want to take.

Details of both Voluntary Corporate Actions and Mandatory Corporate Actions will be recorded and available to view online in your Account transaction history.

Your Investments are held in a Pooled Investment Account. This means that any shares that we receive from a Corporate Action will be allocated to your Account proportionately, based on the number of units of the relevant Investment that you hold in relation to the total number of units of that Investment held in the Pooled Investment Account. Where a Corporate Action results in a Cash rounding difference or an entitlement to part of a unit in an Asset, then we reserve the right to retain such Cash, or the part of the unit in the Asset, or to gift them to a registered charity of our choice. Where a Corporate Action or trading activity results in an total aggregate entitlement that is greater than that which we have received, we will pay any difference to you.

### Proxy Voting

We will not forward you or your adviser copies of annual reports and accounts, scheme particulars or meeting and voting information related to any assets managed in your Account. However, if you would like us to register any proxy votes that are available to you please contact **corpactions@scottishwidowsplatform.co.uk** at least three working days prior to any voting deadline and on a reasonable endeavours basis, we'll submit the votes upon your behalf.

### Class Actions

If we are notified of a class action or group litigation that is being proposed or taken concerning investments that our Nominee is holding, or has held, on your behalf, we are not required to tell you about this or otherwise act on that notification.

## 1.11 Ownership And Custody Of Assets

You or in the case of the Scottish Widows JISA, or Scottish Widows Junior Personal Pension the child, will always be the beneficial owner of the Assets in your Account, unless the Account is a Scottish Widows TPIA in which case the Account will be held in line with Section 6.2. Our custodial arrangements with respect to Assets held in Accounts on the Scottish Widows Platform are detailed below.

### 1.11.1 Assets

All Assets in the Scottish Widows Personal Pension, the Scottish Widows Junior Personal Pension, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA and the Scottish Widows TPIA are held in accordance with the FCA Rules relating to Client Assets.

Investments may be held in one or more of the following ways:

a) we can act as your custodian. We will arrange for our Nominee or a Nominee of an affiliated company to hold your assets. In certain circumstances we will deposit them

with a third party custodian which may in turn hold them through its sub-custodians. The arrangements for holding and registering your Investments may vary depending on the type of Investments and the country of origin; or

b) in your name or a name nominated by you in certificated form, where certificates are issued.

Our standard business practice is to hold assets on your behalf in accordance with either (a) or (b) above, however where this is not possible, your Assets will be registered in the name of a third party or, if this is not possible, our name but only if:

- the Assets are subject to the law or market practice of a jurisdiction outside of the United Kingdom; and
- we consider this to be in your best interests, or
- it is not feasible to do otherwise, because of the nature of the applicable law or market practice.

Registration in the name of an alternative nominee, third party or us may mean you lose incentives and shareholder benefits attaching to the Assets. The alternative nominee or third party may be located in or outside the jurisdiction in which we provide services to you.

You consent to your Assets being registered in our name in the circumstances described above.

We have the right at any time to appoint an alternative nominee and/or custodian for your Investments. Where your Assets are held by an alternative nominee or subcustodian we cannot ensure that you would not lose any Assets if the entity enters administration, liquidation or a similar procedure. In order to show that the Assets are not available to the entity's creditors, we will take reasonable steps to ensure that their records show that the Assets are held for you and that they do not belong to us or the alternative nominee or sub-custodian.

Our Nominee or the Nominee of an affiliated company will be the legal owner of the Investments in your Account and your Investments will be held in the name of, or to the order of, the Nominee. However, they will be held for your benefit and the Nominee will have a duty to deal with them on your behalf subject to these Terms. Subject to Regulatory Requirements, you authorise us to direct and instruct the Nominee to discharge our responsibilities under these Terms.

Our Nominee or the Nominee of an affiliated company is not an authorised person under the FSMA. Our Nominee can only hold investments and does not carry out business on its own behalf. We are responsible to you for their acts and omissions.

Share certificates or other documents evidencing title to Investments will be held by us or by our Nominee or the Nominee of an affiliated company.

Your Assets may be held with those of other clients of ours or our sub-custodians in one account, subject to Regulatory Requirements. In this case:

- we will maintain records of your interests in the Assets which have been pooled;
- your right to specific Assets may not be identifiable;
- on occasion this may lead to Assets held being used to settle trades of another client, which may result in a temporary shortfall; and

- if there is a default by us or our sub-custodians resulting in a shortfall, you might not receive your full entitlement.

Where a temporary shortfall arises and is identified we will ensure that it is resolved as soon as possible and, where required, appropriate a sufficient amount of our own money to cover the value of the identified shortfall until resolved.

In the event of our or our sub-custodians default you may have to share in the shortfall in proportion to the value of the Assets which we or the sub-custodian hold for you with other clients.

Where you wish to invest outside the UK we may hold your money with a bank or another organisation, such as an exchange, clearing house or an intermediate broker for the purpose of executing your Order located in a jurisdiction outside the UK. Where your Investments are held in overseas jurisdictions, it may not be possible under national law to separately identify them from the custodian's own investments. This increases your risk.

Where it is necessary for your Investments to be held outside the European Economic Area, the law in the jurisdiction in which they are held may mean that your rights in respect of those Investments may be different. In particular if the overseas entity becomes insolvent your money may be treated differently from the position which would apply if the money was held in a client bank account in the UK and it may therefore be less secure and the FSCS would not apply.

The extent to which we will be liable for any loss that you suffer as a result of any default is set out in Section 1.19.4 of these Terms.

You are responsible for monitoring the level of your shareholdings and making the relevant disclosures when your shareholding in any company reaches/exceeds/falls below certain threshold levels in accordance with the current legislation. This applies to all your Investments whether held through our Nominee or otherwise. If we notify you that we believe you should make a disclosure in respect of your Investments in our Nominee this does not mean that we accept any responsibility to you to monitor your holdings.

### 1.11.2 Protecting Cash

All Cash in Scottish Widows Personal Pension, the Scottish Widows Junior Personal Pension, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA Account and the Scottish Widows TPIA is held by us in accordance with the FCA Client Money Rules. We will always deposit your Cash with one or more banks which are authorised by the Prudential Regulatory Authority and regulated by the FCA and which are covered by the FSCS (see section 1.19.7 for more details).

We will not be legally responsible in the event of default of any Banking Partner that is holding your money in accordance with these Terms & Conditions. However, we will use our reasonable endeavours to make available to you any rights we may have against such banks. In the event of our, a bank's or Trusted Third Party's default you may have to share in any shortfall in proportion to the value of Cash which we, the bank or Trusted Third Party hold for you with other clients.

On receipt of a Trade Instruction, we will be required to transfer your Cash to a Trusted Third Party or our Stockbroker Partner to execute the transaction, however both the Trusted

Third Party and our Stockbroker Partner agree to hold your Cash in accordance with the FCA Client Money Rules or to have adequate measures in place as agreed with us to protect your Cash prior to and after the Trade Instruction has been executed.

Where you are eligible for tax relief or a tax rebate from HMRC, we will pay the respective amount to you. We will then claim the amount back from HMRC. In the event that we deduct tax from your account in error which we have not yet paid to HMRC on your behalf, we will make the amount available to you upon identification of our error.

### 1.11.3 Our Rights Over Your Assets And Cash

A Lien is a right which entitles us to keep any of your Assets or Cash while we wait for you to pay off any debt you owe to us. As well as any other rights we may be entitled to under any law, we will have a general Lien over all your Assets and Cash we hold or control until you have paid off all your debts, liabilities and obligations owed to us under these Terms & Conditions.

If you owe us a debt, we may use any of your Assets or Cash that we hold or control to pay off or reduce that debt and/or to reimburse us for any costs we have incurred in recovering that debt. Section 1.13 outlines the Disinvestment Strategy we use when selling your Assets.

In the unlikely event that we mistakenly add any Assets or Cash to your Account, we may remove them from your Account. If you have withdrawn the Cash or sold the Asset and withdrawn the proceeds of sale, we will treat the Cash withdrawn as a debt and we may use any of your Cash or Assets we hold or control to pay off or reduce that debt.

We will not be liable for any tax Charges or other losses incurred by you or us as a result of us exercising our rights to sell your Assets and/or your Cash.

Any Assets or Cash held by an alternative nominee and/or custodian appointed by us in accordance with Section 1.11.1 will be subject to a general Lien until you have paid off all of your debts, liabilities and obligations owed to both ourselves and any relevant third party.

### 1.11.4 Pooling Risk

Your Assets may be pooled with those of our other Clients. This means:

- that in the event of our, or any of our Custodians default or insolvency, if there is a shortfall which cannot be reconciled, there is a risk that you may have to share proportionately in that shortfall;
- there is a risk that your options may be limited in respect of Corporate Actions; and you may receive Dividends or other distributions net of tax which has been paid or withheld at a less advantageous rate; and
- In the event that your trade instruction results in a fractional unit (for example, where your instruction has been aggregated with other client trade instructions) this may result in us receiving an indivisible asset allocation or cash amount. In such a case we apply a methodology based on the largest holding and timing of trade instructions to determine how the asset allocation is divided.

Where this results in a Cash rounding difference, or a fractional entitlement to part of a unit in an Asset, then we reserve the right to retain such Cash or the part of the unit in the Asset, or to gift them to a registered charity of our choice.

We hold your Cash in pooled client money bank accounts, held separately from our own money. On occasion, your cash may be held in a Transaction Account with a Trusted Third Party. Cash held may be placed in accounts with notice periods of, or on deposit for fixed terms of, up to 95 days. Placing your cash in notice or term deposit accounts does not in itself affect your ability to deal with or withdraw funds from your account. However, such amounts may not be immediately available for distribution in the event of all or most account holders deciding to withdraw all of their cash at the same time, or in the event of default by us or by one of the institutions where your money is held.

## 1.12 Charges

There are various Charges that we may apply to your Account. These will depend on:

- the type of Account(s) you have;
- if applicable, the value of each Account;
- any specially agreed terms we have with your Financial Adviser, which may be subject to change after your Account has started, or if you change your Financial adviser or adviser firm your charges may change;
- the type of Assets you hold in your Account and who manages them;
- the terms you agreed with your Financial Adviser for their advice and/or Services they have provided you with;
- the terms you and your Financial Adviser agreed for the Services of a Discretionary Investment Manager.

You can find out more specific information on these Charges in our Client Charges Guide or details on what you will pay in the Charges Information Document we provide you with at the outset when opening your Account or whenever a charge is added or changed.

You can elect to have the charges from your ISA deducted from your GIA if you have one. This will also apply to the Adviser Charges. If there is insufficient Available Cash in the GIA we reserve the right to take the charges from the ISA.

### 1.12.1 Charges Made By Us

The following Charges may be made by us on your Account. These Charges may vary from time to time provided however that the Client Charges Guide will be updated to reflect any relevant changes.

We will pay for any third-party charges incurred by us that we cannot subsequently pass on to you.

#### Initial Platform Charge

This charge may be applied by us at the point in the time the Account is opened.

#### Ad-Hoc Platform Charge

This charge may be applied by us to your Account where we incur an unforeseen expense or charge relating to the administration of your Account.

#### Ongoing Platform Charge

This charge is applied to each Account you have with us. The Charges may be based on the value of each Account, ignoring any uninvested cash that you hold outside of model portfolios, and could be split into specific bands depending on the value of your Account, or, this charge could be a fixed amount. Any cash held outside a model portfolio, will not be subject to the Ongoing Platform charge.

For more information on the specific charge which applies to you please speak to your Financial Adviser, or they will be detailed on your Charges Information Document.

The charge is calculated daily, accrued and then deducted on a monthly basis. We will deduct the charge from Available Cash in your Account each month from your Account start date.

The standard charge rates we use may vary if we have agreed special terms with your Financial Adviser. These special terms will never be greater than our standard levels published in the Client Charges Guide. Your Financial Adviser will let you know if they have agreed different terms with us and they will be detailed on your Charges Information Document.

#### Account Charge

This charge may be applied by us for particular Accounts. It is a set amount deducted monthly.

#### Stockbroker Trading Charge

We apply a charge each time you buy or sell an ETI using our Stockbroker Partner. This charge is included in the cost of acquisition or deducted from the proceeds from the sale of an Asset. Please note however, that there may be occasions where a higher Stockbroker Partner charge is applied to your Account by our Stockbroker Partner over and above the Charges as described in the Scottish Widows Platform Client Charges Guide. This is because the Trade Instruction required the stockbroker to perform its Services manually. You acknowledge and agree to the payment of such a higher charge in the event our Stockbroker Partner executes your Trade Instruction on a manual basis.

#### Drawdown Charge

We may apply this charge to cover the administration costs associated with administering a Drawdown Pension within your Scottish Widows Personal Pension Account.

#### Standard Platform Charges

The standard Ongoing Platform Charges are as follows. Please note that the Platform Charge is not applied to any uninvested cash that you hold outside of model portfolio investments:

- 0.35% on the first £100,000
- 0.30% on the next £150,000
- 0.25% on the next £250,000
- 0.10% on holdings of £500,000.01 and above

For example on an account value that remained at £200,000 every day for a complete year the yearly charge will be

- 0.35% on £100,000 = £350
- 0.30% on £100,000 = £300
- Total Account Value £200,000
- Total Ongoing Platform Charge £650

There is also an Account Charge for the Scottish Widows Personal Pension Account of £75 a year.

### Varying Or Adding New Charges

We reserve the right to vary the Charges we apply or add a new charge, within a fair and reasonable limit, to your Account. This may be due, but not limited, to:

- changes in law, regulations or taxation;
- changes in the levy to the FSCS;
- significantly improving our technology or Services to better manage your Account;
- existing or new Trusted Third Parties increasing or introducing new Charges for the Services they provide you through us.

When any Scottish Widows Platform Charge described above is greater than the value of Available Cash in the relevant Account, we will sell enough Assets to make up any shortfall. This will be in line with our Disinvestment Strategy detailed in Section 1.13. If for any reason the value of your Assets is not enough to meet any shortfall, you agree to pay to us, on demand, the amount outstanding.

### Family Linking

Family Linking may be available to you, through your adviser, if you are on our Standard Charges or we have the relevant agreement in place with your Financial Adviser. If you have multiple Accounts, or if Account holders are married, in a civil partnership or are directly related family members (including a spouse or civil partner of a directly related family member), we may agree to the Accounts being linked for the purposes of combining the value of the eligible assets. The combined value of the eligible assets will be aggregated for the purposes of calculating the Ongoing Account Charge, as described above, to be applied to the linked Accounts.

Linking Accounts is only possible where you have an adviser (and all accounts are with the same adviser firm) and where the combined value of the Accounts linked is £200,000 or more at the time they are linked.

We may ask you to provide evidence of your family relationship and may refuse to link Accounts or remove an existing link if you are unable to provide such evidence.

### 1.12.2 Adviser Charges and Discretionary Investment Manager Model Portfolio Charges

#### Adviser Charges

Scottish Widows Platform offer to facilitate the remuneration of your Financial Adviser Firm and its Associates for the advice and or Services they provide you. This is known as Adviser

charging. You agree the Adviser Charges with the Financial Adviser who will instruct us to facilitate the payment of the Adviser Charges from your Account by deducting the Adviser Charges at the time intervals agreed.

Adviser Charges can be paid as a fixed monetary amount or as a percentage. This will be deducted from either the contribution you make or from Available Cash in your Account, for example:

- an initial Adviser charge taken from one-off contributions or Cash Transfers; and/or,
- a regular initial Adviser charge set up when you start a regular contribution for a specified period of time and deducted from Available Cash in your Account,
- ongoing adviser charge based on the value of the assets in your account and taken from the Available Cash; and/or,
- an ad-hoc Adviser charge taken from the Available Cash in your Account.

Your Financial Adviser will be responsible for setting up any Adviser Charges on your Account. We will not require written confirmation from you to action these Instructions however we do reserve the right to request sight of any agreement you have in place from your Financial Adviser. All Adviser Charges that we take will be deducted from Available Cash. When any Adviser charge is greater than the value of Available Cash in the relevant Account, we will require the Financial Adviser to place sales to raise any appropriate value of Available Cash. If the deduction of the Adviser Charges is more than the value of your Account, the payment of the Adviser charge will fail. However a debt is created between you and the Financial Adviser and will be administered pursuant to section 1.13.

Only Adviser Charges for pension advice given in relation to the Scottish Widows Personal Pension, and in line with HMRC guidance, can be deducted from that Scottish Widows Personal Pension Account. Any Charges deducted from the Scottish Widows Personal Pension Account that do not relate to Services provided regarding that Account may trigger tax Charges.

Where any Adviser charge is agreed as a percentage of contributions into the Scottish Widows Personal Pension, and where those contributions are eligible to receive Pensions Relief At Source (PRAS), then the Adviser charge calculation will be based on the total contribution including PRAS. Any Adviser charge agreed as a percentage of a payment that does not qualify for PRAS will be calculated on the basis of the actual amount received and then paid. All Adviser Charges will stop immediately once we have received notification of your death, or in the case of a joint Scottish Widows GIA, the death of the last Account holder.

You acknowledge that we will treat any request to add or change Adviser Charges on your Account that we receive from your Financial Adviser, as having been agreed by you.

This includes any:

- increases;
- changes in basis, for example, from a fixed amount to a percentage;
- restarting ongoing Charges that have been stopped
- ad-hoc payments.

We will issue a new Charges Information Document to your Document Library any time that changes are made to Adviser Charges.

Where you have elected to have your ISA charges deducted from your Investment Account this will also apply to the Adviser charges. If there is insufficient Available Cash in the GIA we reserve the right to take the charges from the ISA.

### **Discretionary Investment Manager Model Portfolio Charges**

This charge is applied to Model Portfolios that are managed by a Discretionary Investment Manager. Your Financial Adviser will be responsible for telling you about any Discretionary Investment Manager Model Portfolio Charges on your Account. We will not require written confirmation from you to action these Charges.

You will only be able to invest in Model Portfolios offered by a Discretionary Investment Manager that has entered into an agreement with us on the Scottish Widows Platform. We will pay any Discretionary Investment Manager Model Portfolio Charges in accordance with our agreement with the Discretionary Investment Manager. The value of these Charges will be detailed in your Charges Information Document. The Discretionary Investment Manager Model Portfolio Charges will be deducted directly from the Available Cash within your Model Portfolio.

#### **1.12.3 Charges on Assets**

The following charges may be deducted by Fund Managers – not by us. These depend on the Assets you invest in.

Managers of Mutual Funds and some ETIs may deduct charges from the assets you hold. These costs and charges will fall into four categories; one-off, ongoing, transaction and incidental.

- One-off charges are applied by Fund Managers when you buy or sell Assets. Examples of these charges are initial charges which may be deducted by the Fund Manager before your investment is made into the Asset and any bid-offer spreads. A 'bid/offer spread' means units are bought and sold at different prices; in this case the difference between the prices (the spread) represents the charge.
- Ongoing charges are taken by Fund Managers for ongoing asset management. Examples of charges which may be deducted by Fund Managers include investment management fees, custodian fees and research costs. These charges are typically deducted from the Asset every day before the price is calculated.
- Transaction costs are incurred by Fund Managers in buying or selling the underlying Assets they hold. Examples include brokerage commissions, exchange fees and stamp duty. These costs are deducted from the Fund Assets before the price is calculated.
- Incidental costs include any performance fees that may be charged by the Fund Manager if certain performance levels are achieved within a certain time period. These costs are deducted from the Fund Assets before the price is calculated.

These Charges and any changes to them are decided by the Fund Manager and may be increased or reduced without prior notice. All expected Charges that apply to any Assets

being purchased will be shown in your Charges Information Document. Current Charges relating to any Assets you invest in, will be detailed in the Charges Information Document we send you with your regular statements.

Fund managers may also apply a dilution levy or dilution adjustment to buy or sell transactions; they will only do this where a bid-offer spread does not apply. Fund managers will deduct any dilution levy before investing a payment or from any payment due to you and this will show on your trading confirmation; any dilution adjustments will be reflected in the asset price.

### **1.13 Disinvestment Strategy**

It will be the responsibility of you and your Financial Adviser to ensure that there is sufficient Available Cash present in your Account to allow any Charges, as detailed in Section 1.12, to be paid and to allow us to proceed with any Instruction. Sufficient Available Cash will also be required to action any contractual entitlement. If there is not enough Available Cash in the Account, we may be forced to sell Assets automatically. All such sales will occur in accordance with our Order Execution Policy, a summary of which is provided at Appendix A of these Client Terms & Conditions. The sale of Assets is described in this section and is called a Disinvestment Strategy.

Where disinvestment is needed to fund an ongoing charge to us or to enable us to proceed with an Instruction including Trade Instructions or exercise a contractual entitlement, we will always follow the Instruction set by your Financial Adviser to raise Platform Charges from one of the following three strategies:

- Proportionate: meaning that we will sell mutual fund holdings including any in a Model Portfolio in proportion of the percentage in your portfolio ignoring any allocation to ETIs. Where a Model Portfolio is targeted as part of a disinvestment strategy, the mutual holdings therein will be sold in accordance with the Discretionary Investment Manager's or Financial Adviser's withdrawal strategy which will either be selling the assets in line with the proportions in which they are held, or aligning the assets to the target allocations within Model Portfolio.
- Least Volatile Stock: meaning that the single 'least volatile' mutual fund investment will be sold first. The least volatile investment will be identified by an external provider. If the 'least volatile' investment does not fully cover the outstanding charge, the next 'least volatile' investment will be subject to sale and so on and so on. A Model Portfolio will have a single aggregated volatility measure and will be assessed alongside any mutual funds held to determine what is sold. Where a Model Portfolio is targeted as part of a disinvestment strategy, the mutual holdings therein will be sold in accordance with the Discretionary Investment Manager or Financial Adviser's withdrawal strategy which will either be selling the assets in line with the proportions in which they are held, or aligning the assets to the target allocations within Model Portfolio.
- Last In First Out: meaning that the investment subject to the most recent purchase date will be sold. If the most recently purchased investment does not fully cover the outstanding charge then the next most recently purchased investment will be subject to sale and so on and so on. A

Model Portfolio will have a single aggregated last purchase date and will be assessed alongside any mutual funds held to determine what is sold. Where a Model Portfolio is targeted as part of a disinvestment strategy, the mutual holdings therein will be sold in accordance with the Discretionary Investment Manager's or Financial Adviser's withdrawal strategy which will either be selling the assets in line with the proportions in which they are held, or aligning the assets to the target allocations within Model Portfolio.

In particular, in the event there is insufficient Available Cash as a result of a failed contribution upon which we relied when processing a Trade Instruction as described in section 1.7.2, or where there is insufficient Available Cash to complete an Instruction in respect of a Voluntary Corporate Action, we may utilise this Disinvestment Strategy to meet any shortfall we suffer as a result of processing the Trade Instruction or acting on the Voluntary Corporate Action Instruction.

If no Mutual Funds are available for disinvestment, the payment will fail. You agree a debt is created by you secured by a Lien in our favour over any Mutual Funds and ETIs in your Account or Model Portfolio until our Charges or costs described above are paid. You agree that we may deduct such amounts from any subsequent contributions you make to the Account and/or from Available Cash, prior to us paying the proceeds of sale of such Mutual Funds or ETIs to you.

If you have an adviser they can choose to exclude any specific assets or model portfolios from the disinvestment strategy. These are known as treasured assets.

As part of a disinvestment strategy, we will not automatically sell:

- exchange-traded assets bought through our nominated stockbroker, unless you have chosen a proportionate disinvestment strategy (as described above) and the exchange-traded assets form part of an withdrawal strategy for a model portfolio,
- treasured assets
- We may also choose to exclude certain mutual funds where we believe this is appropriate in order to manage the Portfolio efficiently, such as where they are not priced on a daily basis. In the event that you do not have enough available holdings in an account to cover an amount due by disinvesting as described above, we will contact your adviser to determine how you will pay us the amount due.

If we are unable to deduct the outstanding amount due from any available holdings and your adviser does not confirm how the amount is to be deducted, we may sell other available assets to cover the outstanding amount. Where we do so, we will sell assets from the asset holding with the highest value on the date we issue the instruction. This may include treasured assets or exchange-traded assets. We will pass on to you any reasonable charges we incur for selling these assets.

### **Disinvestment For Discretionary Investment Manager Model Portfolio Charges**

Where disinvestment is needed to fund an ongoing charge for your Discretionary Investment Manager you agree the Mutual Funds will be sold in the Model Portfolio from the least volatile stock. If no Mutual Funds are available for disinvestment, you agree that a debt to the Discretionary Investment Manager will be created over any Mutual Funds and ETIs in the Model

Portfolio until such Charges are paid. You agree that we may deduct such Charges from any subsequent contributions you make to the Model Portfolio and/or that prior to us paying the proceeds of sale of such Mutual Funds or ETIs to you, we may deduct any outstanding amounts owing to the Discretionary Investment Manager.

## **1.14 Withdrawals**

Please note:

- this section 1.14 does not apply to the Scottish Widows Personal Pension Account, the Scottish Widows Junior Personal Pension or the Scottish Widows TPIA;
- for information on the Terms upon which withdrawals can be made from the Scottish Widows Personal Pension Account, or the Scottish Widows Junior Personal Pension please see section 2.7 and for information on withdrawals from a Scottish Widows TPIA please see section 6.12.

You can ask your Financial Adviser to arrange either one-off or regular withdrawals from the Scottish Widows ISA or Scottish Widows GIA at any time, or you can arrange yourself if you have been permissioned to service your Account directly by your Financial Adviser. Withdrawals must be a specified Cash amount, in pounds sterling and paid to a nominated UK bank or building society account and from the Available Cash in your Account.

We reserve the right to refuse the payment of a withdrawal where we suspect fraud or money laundering.

### **1.14.1 One-Off Withdrawals**

You can ask your Financial Adviser to provide us an Instruction for a one-off withdrawal from Available Cash in your Scottish Widows ISA or Scottish Widows GIA at any time, or you can arrange yourself if you have been permissioned to service your Account directly by your Financial Adviser. When arranging the withdrawal you or your Financial Adviser will need to ensure there is sufficient Available Cash in place for the withdrawal.

Withdrawals will be paid to the nominated bank or building society account as soon as reasonably possible after all required checks and information have been received.

This will be paid electronically by one of the following methods:

- up to £250,000 will be paid by Faster Payment;
- over £250,000 will be paid by CHAPS.

If we receive an Instruction to withdraw the full value of an Account, where applicable, we will deduct all the Charges due under these Terms & Conditions up to the date of the withdrawal.

### **1.14.2 Regular Withdrawals**

Regular withdrawals can be scheduled to be paid monthly, quarterly, half-yearly or yearly on any date between the 1st and the 28th of the month inclusive. If a regular withdrawal is due on a non-Business Day, you will receive it on the previous Business Day.

Regular withdrawals will be paid by the Banks Automated Clearing System (BACS).

To change the amount or frequency of a regular withdrawal, or to change a regular withdrawal Instruction, or to change the bank or building society account to which the regular withdrawal is being paid, you must stop the existing regular withdrawal and set up a new regular withdrawal Instruction.

Where you or your Financial Adviser set up a regular withdrawal from a Scottish Widows ISA or Scottish Widows GIA, in addition to the requirements detailed above, we will also ask for an Income Payment Strategy (described in Section 1.14.3) to be set up to fund these withdrawals. This can be changed at any time.

### 1.14.3 Income Payment Strategy

This determines the Assets to be sold to ensure there is enough Available Cash to fund any regular withdrawals. It can be set against one or more Mutual Funds on the provision the percentage split adds up to 100%. ETIs within Model Portfolios can be used to fund regular withdrawals.

You or your Financial Adviser can set up a different Income Payment Strategy for each new income request.

If after running the Income Payment Strategy, there is still insufficient Available Cash to fund the withdrawal, the regular payment will fail. If this happens, we will not make another attempt to make the payment or adjust the next payment to take account of any preceding failed payment. If a payment is still required, you or your Financial Adviser will need to request one-off withdrawal in line with 1.14.1.

## 1.15 If You Are Invested Without A Financial Adviser

### 1.15.1 You Or Your Financial Adviser End The Agreement

Where you or your Financial Adviser Firm end the agreement between you and the Financial Adviser, you should inform us as soon as possible.

Once we have been informed that the agreement with your Financial Adviser has ended, we will remove access by the Financial Adviser to all your Accounts. We will also stop any Adviser Charges as soon as possible.

If we are already in the process of paying an Adviser charge prior to receiving notification, we will continue to make that payment. It will be your responsibility to agree with your Financial Adviser if any refund is due.

If you have appointed a new Financial Adviser who is accepted by us to use the Scottish Widows Platform, we will update your Account to reflect the new Financial Adviser once we receive all information from you and the Financial Adviser, that we reasonably request. Your Account charges may change if we have a different agreement with the new Financial Adviser. We will then set up any new Adviser Charges in line with Section 1.12.

### 1.15.2 We End Our Agreement With Your Financial Adviser

In the event that we end our agreement with your Financial Adviser, for example, the Financial Adviser permissions are removed by the FCA, we will stop any Adviser Charges from the date we process the removal of the Financial Adviser from your Account. Depending on the agreement your Financial Adviser has with us, we may deduct any Adviser Charges due

from the last payment date up until the date we remove your Financial Adviser from your Account.

If, for whatever reason, there remain any outstanding payments due to your Financial Adviser Firm as a result of advice or Services you have received, your Financial Adviser or Financial Adviser Firm may contact you to arrange payment for this.

### 1.15.3 You Do Not Appoint A New Financial Adviser

Your Scottish Widows Platform Account is designed to be managed by a Financial Adviser on your behalf. If for whatever reason you no longer have a Financial Adviser who is accepted by us to use the Scottish Widows Platform, the functionality available to you to manage your Account will be less than what your Financial Adviser had. As such, you may be restricted from completing some tasks, including:

- remaining in a Model Portfolio (see Section 1.15.4);
- opening a new Account;
- add third party or employer contributions to your Account;
- transfer funds from another account into this Account;
- take a Pension Commencement Lump Sum or Uncrystallised Funds Pension Lump Sum;

open or amend a Drawdown Pension arrangement.

If you wish to place an Instruction for Complex Assets, or select a Voluntary Corporate Action option which would result in Complex Assets being credited to your Account, then you will be subject to our Appropriateness Test as outlined in Section 1.9.

### 1.15.4 Investing in Model Portfolios

If you are invested in a Model Portfolio when you end your agreement with your Financial Adviser Firm, you will only be able to continue investing in that Model Portfolio if you are immediately replacing that Financial Adviser with a new Financial Adviser who is able to access the same Model Portfolio.

Where your participation in that Model Portfolio ends you will remain invested in the Assets that formed your Model Portfolio at the time the agreement ended, but there will be no future management of the Assets.

### 1.15.5 Charges

If you do not have a Financial Adviser then the Standard Charges as set out in Section 1.12.1 will apply unless you are an ex-Sterling client and your charges will remain unchanged.

## 1.16 Deceased Clients

If we receive notification of your death, or where applicable the death of the last surviving Account holder, we will:

- stop any regular contributions into your Account;
- stop any regular payments out from your Account, including any ongoing Adviser Charges or Discretionary Investment Manager Model Portfolio Charges;
- remove your access to view your Account online;
- deconstruct any Discretionary Investment Manager Model Portfolios so there will be no future management of the Assets;

- stop collecting Ongoing Platform Charges and Account Charges. However, charges in relation to Investments will continue.

Depending on the type of Account you have with us, we will then proceed as detailed in Sections 2.8, 3.6, 4.7.1 and 5.4.

Your adviser will continue to have access to review your account unless your personal representatives instruct us otherwise. An authority from your personal representative will be required to enable your adviser to act on their behalf.

## 1.17 Account Closure By Us

In addition to the Account specific Terms of closure detailed in sections 2.14, 3.7, 4.7, and 5.6, we shall be entitled to close one or more of your Accounts for the following reasons:

- if you or your Financial Adviser have not given us any documents we need to meet our regulatory or legal responsibilities;
- if you or your Financial Adviser have failed to provide us with satisfactory evidence or documentation for us to complete our anti money laundering verification process;
- if we believe, acting reasonably that any information or declaration you or your Financial Adviser on your behalf, has given to us when opening an Account or subsequently, is untrue, misleading, or incomplete in any material way, or if you or your Financial Adviser fails to inform us of any information you later become aware of which makes any previous information untrue, misleading or incomplete;
- if we must under the terms of a court order;
- if you have lent, deposited as collateral or used as security one or more Assets in your Accounts or have tried to do so without our consent; or
- if you have done or failed to do something which means we are unable to comply with our legal and/or regulatory obligations.

We will let you know in writing the date on which we will be closing your Accounts. If we do decide to close your Accounts for any of the reasons above, we will treat this section as an Instruction from you to close your Accounts.

### 1.17.1 Account Closure Generally

When your Account with us is closed, we will ask you for your instructions regarding any Assets and Cash held for you and we will agree a reasonable period for you to make alternative arrangements.

After this period we will cease to act for you and, wherever possible, we will transfer your investments into your name, materialise them where possible and dispatch any certificates or other documents evidencing title to the last address that you have notified to us.

We will not be legally responsible for any Adviser Charges, costs, Charges, fees, expenses, taxes or other amounts which become payable by closing your Accounts.

We may close your Account and pay any Cash balance to you if there has been no movement on your Account for a period of at least 6 years (notwithstanding any steps taken by us to trace you as required by the Client Money Rules). If we cannot trace you, we may gift the Cash balance to a registered charity

of our choice. We undertake to make good any valid claims against released balances.

We may close your Account and pay any Assets in your Account if there has been no movement on your Account for a period of at least 12 years (notwithstanding any steps taken by us to trace you as required by the Custody Rules). If we cannot trace you, we may gift the Assets to a registered charity of our choice. We undertake to make good any valid claims against released balances.

### 1.17.2 Residual Payments

If we receive any residual payments relating to your Assets after the closure of your Accounts, we will make reasonable endeavours to pay these to you, less any appropriate administration expenses, via your previously chosen payment method or pass them to your next provider in line with your Instructions if possible.

If the cumulative residual payments to your Account over a period of 6 months are less than £25, an administration charge will be raised to clear the balance. This fee will be paid to a registered charity of our choice. We will take steps to ensure that we minimise any administration fees by, for example, postponing them until we are reasonably satisfied that we have received all sums we are likely to receive, bearing in mind any external factors such as applicable statutory time limits.

## 1.18 Changes We Can Make To These Terms & Conditions

Only Scottish Widows Platform can change or add to these Terms & Conditions.

We will do this for reasons that may include those set out below and upon giving you at least 30 days' written notice, where practical to do so, or such other period allowed or required by law.

The written notice shall be added to your Document Library and sent to you if appropriate and will take effect from the date stated in the notice. You will also be able to find the most recent version of these Terms & Conditions on our Scottish Widows Platform Website.

We may decide to change or add to these Terms & Conditions for any reason including the following:

- if required to do so to take account of changes to, or to comply with, the Applicable Law, official HMRC guidance or HMRC codes of practice, the way in which we are regulated by the FCA, or the amount of capital we need to hold;
- to allow us to introduce new or improved technology, Services or operational practices;
- to implement a recommendation, requirement or decision of any court, government body, ombudsman, regulator or similar body;
- to make the Terms & Conditions clearer or correct any errors we find;
- to reflect new or improved industry practice;
- to take account of any change to our corporate structure as a result of reorganisation of our business;

- to take account of changes to any levies or Charges we are required to pay by law or by the FCA or under the FSCS;
- where we have reasonable grounds to believe that failure to make changes could result in a material risk to us;
- to take account of any changes to, or affecting any Trusted Third Parties with whom we engage whilst providing the Services;
- to remedy operational and/or administrative errors when dealing with any Trusted Third Party
- to proportionately reflect legitimate cost increases in, or restructures of, the Services we provide.

## 1.19 Other Terms

If it is found that any section within these Terms & Conditions is invalid, that invalid section will have no effect on the validity of the remaining sections in these Terms & Conditions. The remaining Terms & Conditions will continue to remain in place.

Any failure or deferral to apply or implement rights under the Terms & Conditions by us or you, does not mean that they will not be applied or enforced in the future.

Headings and sub-headings in these Terms & Conditions are for reference only.

### 1.19.1 Extraneous Circumstances

There may be, on occasion, certain extraneous circumstances that prevent us from applying the sections in these Terms & Conditions. These include but are not limited to:

- riot, civil unrest, military action, explosion or terrorism;
- fire, flood, extreme weather, earthquake, epidemic, pandemic or other natural disaster;
- malicious attack on our technology hardware and software;
- lockouts or other industrial action;
- unforeseen legislation or regulation imposed that is not the result of our misconduct;
- failure of important utilities like power, communications water or transport that lead to disruptions; or
- any other event or circumstance that we are unable, using reasonable skill and care, to avoid.

Where any extraneous event as described above occurs which was beyond our reasonable control and if you are being, have been, or are likely to be disadvantaged, we will whenever possible, let your Financial Adviser know as soon as we can but you agree we bear no liability to you for any loss that has occurred.

### 1.19.2 Disclosure

By accepting these Terms & Conditions you give us authority to disclose any information (when required by law or otherwise) in relation to your Accounts to the following bodies:

- HMRC or other UK government body;
- any regulatory authority, for example the FCA; or the police; or,

- a regulated contractual third party.

### 1.19.3 How To Complain

If you are unhappy with the way you have been treated by us, you always have the right to complain. You can write or telephone us at the address and number in the How to Contact Us section.

If you are not satisfied with our response, you can then raise the issue with:

**Financial Ombudsman Service**  
**Exchange Tower, London E14 9SR**

Phone: **0800 023 4567**

Email: **complaint.info@Financial-ombudsman.org.uk**

Website: **Financial-ombudsman.org.uk**

Referring the matter to the Ombudsman will not affect your right to take legal action later.

### 1.19.4 Liability

Except where expressly stated elsewhere in these Terms & Conditions, nothing shall exclude or limit the liability of any party for fraudulent misrepresentation, deceit or dishonesty, death or personal injury resulting from its negligence or any other liability that cannot be excluded by law.

Subject to this section, we will not be liable to you for any losses including fees, Charges, compensation, loss of opportunity and taxes caused to you by:

- our decision to delay or suspend a Trade Instruction as described in section 1.10 unless it was caused by our negligence, fraud or wilful default;
- any delay in carrying out a Trade Instruction as described in section 1.10 caused by the unavailability of our Stockbroker Partner's computer systems;
- any loss on your Assets or the money we hold that is not a direct result of our negligence or wilful default;
- our acts or omissions or those of any Financial Adviser, Discretionary Investment Manager or Banking Partners, except as a direct result of our negligence or wilful default;
- our action of enforcing any rights under these Terms & Conditions;
- any third party failure or delay in carrying out your Instructions or Trade Instructions or for your Trade Instructions being carried out at a different price than that which we could have achieved if the Trade Instruction had been carried out at the time you expected it to be;
- any third party's failure to provide us with Cash or Assets to which you are entitled as part of a transaction;
- our inability to carry out your Instructions or Trade Instructions, or a delay in us doing so, where that failure or delay is the result of a business interruption or force majeure event (unforeseeable circumstance) that is beyond as described in section 1.19.1;
- our reliance on information provided by third parties where that information comes from other organisations that manage the Assets you have chosen to buy or transfer into your Account; or

- our reliance on market price data provided by third parties to carry out your Instructions which proves to be mistaken or inaccurate.

This limitation of liability is subject to us complying with these Terms & Conditions and the FCA Rules.

Pursuant to sections 1.2.1 and 1.19.4, where an error or omission made by us has resulted in a financial detriment to you, we will, with your agreement as necessary, determine the amount by which you have been disadvantaged and pay this amount to you. Payment may be made at your request to your Account with us (where permissible) or your nominated bank account within ten business days of the amount being determined by us.

#### 1.19.5 Law

Our relationship with you, these Terms & Conditions and the sections within it are subject to the law of England and Wales.

#### 1.19.6 Scottish Widows Platform Products

The Scottish Widows Personal Pension, Scottish Widows Junior Personal Pension, Scottish Widows ISA, Scottish Widows JISA, the Scottish Widows GIA and the Scottish Widows TPIA are Products offered and operated by the Scottish Widows Platform which is the trading name of Embark Investment Services Limited. Embark Investment Services Limited, trading as the Scottish Widows Platform is regulated by the FCA and has the necessary permissions to provide personal pension Services and manage ISA and GIA Products. All money invested into Accounts through these Products will be held by Embark Investments Services Limited in accordance with the FCA CASS Client Money Rules.

#### 1.19.7 Client Compensation

We classify you as a Retail Client under the FCA Rules. This entitles you to a level of protection in the event you need to complain or claim compensation. It also means that we commit to providing you with information in a clear and straightforward way.

Any Scottish Widows Platform Account you have entered will generally be on the advice of a Financial Adviser. If, however our regulator or other legal authority decides this recommendation was not right for you, you may have a right to claim for compensation.

In the event that any of the holders of Assets or providers of investment Services available through your Accounts cannot meet any Financial obligations, you may be able to claim compensation from the FSCS. This level of compensation you receive will depend on where your money is held at the time of the claim and the FSCS rules that covers it.

If you do meet the criteria for a claim, the limits to your compensation would be as follows:

- Scottish Widows Platform Failure – In the unlikely event the Scottish Widows Platform fails, you may be eligible to make a claim for compensation as a consequence of losing Investments you held in the Scottish Widows Personal Pension, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA, and/or the Scottish Widows TPIA for up to a maximum of £120,000 from 1 December 2025. It is however unlikely you would need to make an FSCS claim for compensation in the event of a Scottish

Widows Platform failure because your Cash and Assets are held by appointed third party custodians on a segregated basis and in accordance with FCA Client Asset Rules. This means your Cash and Assets are always protected from such an event.

- Bank Failure – In the event a Banking Partner is unable to meet its Financial obligations to you, you may be eligible to make a claim for any losses up to a maximum of £120,000.
- Asset failure – In the event of an Asset failure meaning the Asset may no longer be able to trade, you may be eligible to make a claim for any losses up to a maximum of £120,000 per Asset.

You can get more information on the FSCS on their website [fscs.org.uk](https://www.fscs.org.uk).

#### 1.19.8 Anti-Money Laundering And Fraud

In order to comply with the Anti-Money Laundering Regulations 2007, we are required to verify the identity (or identities) of anyone connected to a Scottish Widows Platform Account at the time an application is made. These are in place to protect us and Clients against fraud and other financial crimes. We are responsible for carrying out these checks and may request extra identification if we have any cause for concern around any transactions made on the Account.

We may pass your details to our regulator or other governmental bodies when required by law to do so under the Anti-Money Laundering Regulations 2007.

Any unauthorised transaction on your Account, whether by you or anyone you have authorised, will be your responsibility.

#### 1.19.9 Taxation Law And Practice

The Terms & Conditions are based on our current understanding of HMRC taxation law and practice. These may change from time to time. If there is any change to the law or practices that means we are unable to carry out these Terms & Conditions, we reserve the right to vary them. You will be given notice of any such changes as soon as possible.

#### 1.19.10 Communicating

Our contract with you is in English and all future communication about it will be in English.

Unless we decide otherwise, all communication will be made available to you via your Document Library. We will notify you each time a new communication has been made available in your Document Library by sending you an email to the email address provided to us by your Financial Adviser. Even if you have not provided us or your Financial Adviser with an email address, all communications that have been made available to you in your Document Library, will remain there for the duration you hold an Account with us.

#### 1.19.11 Our Regulator

Embark Investment Services Limited, trading as Scottish Widows Platform, is authorised and regulated by the FCA.

### **1.19.12 Compensating Us**

You agree to compensate us for all costs, claims, demands, losses, expenses, and liabilities we suffer when acting on an Instruction or Trade Instruction given by your Financial Adviser (or which acting in good faith believe to be given by your Financial Adviser).

You agree to compensate us for any claim or demand made against us by any other person or organisation including any Discretionary Investment Manager.

# 2

# Additional terms for your Scottish Widows Personal Pension and Junior Personal Pension

## 2.1 Roles And Responsibilities

The roles and responsibilities of each Party for the administration and operation of the Embark Personal Pension Scheme (the “Scheme”) are detailed in this section 2.

### The Scheme

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004. It has been established and is governed by a trust deed and rules which may be amended from time to time (‘The Scheme Rules’). A copy of the Scheme Rules is available from us on request.

You will be bound by both these Terms & Conditions and the Scheme Rules. Where there is any conflict between the Terms & Conditions and the Scheme Rules, the Scheme Rules shall prevail.

### Scheme Administrator

Embark Investment Services Limited is the Scheme Administrator and is responsible for the day-to-day running of the scheme. This includes ensuring contributions paid to the Scheme and benefits paid by the Scheme follow these Terms & Conditions, the Scheme Rules, and any relevant pension or tax legislation.

### The Trustee

Embark Trustees Limited (ETL) is the trustee of the Scheme. It has delegated the role of holding Client Cash and Assets to Scottish Widows Platform to hold pursuant to the FCA Client Asset Rules.

## 2.2 Cancellation Rights

The first time you designate part or all of your pension benefits into flexi-access drawdown, you have the right to cancel the drawdown arrangement within the first 30 days.

If you choose to cancel, any income you’ve received from your drawdown arrangement must be returned to us. If you’ve taken a pension commencement lump sum (PCLS), this cannot be returned to your pension or reversed. If do not take steps to use the designated amount to provide alternative pension benefits (such as setting up a different flexi-access drawdown arrangement or purchasing an annuity) within six months, HM Revenue & Customs will treat the PCLS as an unauthorised payment, which will normally result in tax charges.

Adviser charges that have been paid from your pension cannot be refunded by us; any refund must be agreed directly with your adviser.

## 2.3 Contributions Into Your Scottish Widows Personal Pensions

### 2.3.1 Pension Relief At Source (PRAS)

If you are under the age of 75 and eligible to receive tax relief on personal contributions into your Scottish Widows Personal Pension Account, the Government will pay an amount equal to the basic-rate of tax to each contribution you make. This is known as Pension Relief at Source (PRAS). The tax relief you receive might be different depending on whether your main residence is England / Northern Ireland, Scotland or Wales.

We will automatically add the appropriate PRAS amount, to the amount you have contributed to your Account. We will then claim the PRAS amount back from HMRC.

### 2.3.2 Contribution Limits

There is a limit set by HMRC on the amount that can be contributed to your Scottish Widows Junior Personal Pension, and to the amount that can be contributed to your Scottish Widows Personal Pension that benefits from tax relief. Current limits can be found on gov.uk or you can speak to your Financial Adviser. You and your adviser are responsible for ensuring all contributions are within allowable limits for tax relief. We will repay overpaid tax relief and interest on the amount of the overpayment on demand by HMRC from your pension without your further authority. Where total contributions to all your registered pension schemes (including basic rate tax relief) exceed the Annual Allowance in a tax year, you will have to pay an Annual Allowance charge on the excess contributions.

Your Annual Allowance is also likely to be reduced if you are a high earner and subject to a tapered Annual Allowance. If you have taken pension benefits from any of your pensions and have triggered the Money Purchase Annual Allowance this will also limit the tax relief on your contributions. You must tell us if the Money Purchase Annual Allowance applies to you and when it was triggered. You can find out details about the Annual Allowance and Money Purchase Annual Allowance online at gov.uk.

The rate of the Annual Allowance charge is set at your marginal income tax rate.

It is the responsibility of you and/or your Financial Adviser to ensure payments to your Scottish Widows Personal Pension Account fall within any HMRC limits.

Regular pension contributions will cease when you reach age 75.

### 2.3.3 Transfers In

We will only accept transfers into a Scottish Widows Personal Pension from UK registered pension schemes that are made in line with any regulatory requirements in place at the time the transfer is made.

The transfer may be a Cash Transfer or a re-registration of Assets (also known as an in specie transfer) in line with Section 1.8.

Where a pension being transferred from another provider has some or all of the fund value being used to provide a Flexi-Access Drawdown Pension, the same fund value will be allocated to Flexi-Access Drawdown Pension within your Scottish Widows Personal Pension Account. You will also be able to allocate additional funds to Flexi-Access Drawdown Pension in the future to help fund any Drawdown Pension income withdrawals.

Where a pension being transferred from another provider has some or all of the Cash or Assets being used to provide a Capped Drawdown Pension, the Investments can be transferred into your Account, and then converted to Flexi-Access Drawdown, or, they can be transferred without losing Capped Drawdown status.

## 2.4 Allowable Assets

You must only invest in assets that we permit. We may, acting reasonably, change the assets we permit. We will, on behalf of the trustee, dispose of any holdings in assets that stop being permitted. If you are invested in an asset that is no longer permitted, we will inform your Adviser, or the Discretionary Investment Manager, and they must arrange to sell your holdings in that Asset. If you do not have an Adviser we will inform you.

If we have not received Instructions to sell your holdings in that Asset, we will arrange for them to be sold as soon as reasonably practicable. If this happens, neither we nor the trustee shall be liable for any resulting loss unless due to our negligence.

The proceeds from the sale of the Asset will be held in your Scottish Widows Personal Pension as Available Cash and will be available for investment in any other permitted Asset.

## 2.5 Scottish Widows Personal Pension Charges

In addition to those Charges detailed in Section 1.12, we may also apply an Account Charge for administering your Scottish Widows Personal Pension, and a Drawdown Pension charge for setting up and administering any requests for this type of transaction. Specific details of whether this charge applies to you and how much this charge will cost you can be found on your Charges Information Document.

## 2.6 Ownership And Custody Of Assets

The Assets in your Scottish Widows Personal Pension and Scottish Widows Junior Personal Pension will be designated for the Trustee and held for your benefit in line with Section 1.11.

## 2.7 Taking Your Benefits

Benefits from your Scottish Widows Personal Pension can usually only be taken on or after you reach the Normal Minimum Pension Age. You may only take benefits earlier than this if you:

- are in ill health or serious ill health;
- have holdings from a previous pension scheme, transferred to the Scottish Widows Personal Pension, that allow you to take your pension before the Normal Minimum Pension Age. If these are transferred as a block transfer then the Normal Minimum Pension Age may apply to all your holdings in the Scottish Widows Personal Pension. If they are transferred as an individual transfer then the lower age would only apply to the transferred part of your pension.

Benefits from your Scottish Widows Personal Pension can only be paid once we have received all required information from you that we need to be compliant with HMRC and any other pension regulation.

Any benefits you take from your Scottish Widows Personal Pension will be paid in UK sterling and into a UK registered bank account.

### 2.7.1 Benefit Limits

The Government set two limits on the total amount of tax free lump sums that can be taken from this Account and any other pension products you may have, including with other pension providers.

These limits are:

- The Lump Sum Allowance; and
- The Lump Sum & Death Benefit Allowance.

You can find further information on these limits in the Glossary in Appendix B.

Where these limits are reached, as applicable, we will restrict:

- the amount of any Pension Commencement Lump Sum that can be paid from this Account, as detailed in section 2.7.2
- the amount of any tax-free Uncrystallised Funds Pension Lump Sum payments, as detailed in section 2.7.2.

When you ask to take benefits from your Account, we will ask you for certain information to determine whether it is necessary to restrict tax-free payments, in accordance with the Government limits. It is important that you supply us with full and accurate information. If you do not provide full and accurate information and we are unable to report or pay the correct tax to HMRC, you will be responsible for any costs (including tax and penalties) that we incur as a result. We may look to recover these costs from your Account.

For more information on how the government limits and the Lump Sum Allowance may impact you, please speak to your Financial Adviser.

### 2.7.2 How You Take Your Benefits

When you take out a Scottish Widows Personal Pension Account, you will be asked to select a date on which you would like to receive the benefits from the Account. This is called your selected pension age. We will contact you at least 6 months prior to your selected pension age to let you know what options are available to you at that time.

We will require you or your Financial Adviser to instruct us via the Scottish Widows Platform at the time you intend to take your benefits.

At the time you decide to take your benefits we can currently offer you one of the following options:

#### Pension Commencement Lump Sum

When you take your benefits from your Scottish Widows Personal Pension, you can normally request that up to 25% of the benefits are paid as a tax-free lump sum. This is known as a Pension Commencement Lump Sum and is subject to the Lump Sum Allowance as explained in section 2.7.1.

If you use up all of your Lump Sum Allowance the part of your Pension Commencement Lump Sum that exceeds the Lump Sum Allowance will be treated as a Pension Commencement Excess Lump Sum and will be taxed at your marginal rate.

If you believe that you are entitled to more than 25% of your fund value as a tax-free lump sum please talk to your Financial Adviser.

If you request to take a Pension Commencement Lump Sum, we will move Cash (in line with any income withdrawal Instruction received from your Financial Adviser) to Committed Cash before making a payment to your nominated bank account.

You can only take a Pension Commencement Lump Sum at the same time that funds are put into Drawdown or you buy an Annuity.

#### Uncrystallised Funds Pension Lump Sum

You can access some or all of your retirement savings as a lump sum. This is known as an Uncrystallised Funds Pension Lump Sum (UFPLS).

If you take an UFPLS, provided you have enough unused Lump Sum Allowance available, 25% of the amount taken will be a tax-free payment and the rest will be taxed as income. If you use up all of your Lump Sum Allowance then the amount of the UFPLS that can be paid tax-free will be limited to your available Lump Sum Allowance. If no Lump Sum Allowance is available, then the full amount of the UFPLS will be taxable.

If you are entitled to take a tax-free Lump Sum in excess of 25% you will not be able to take an UFPLS and will need to take your benefits through Flexi-Access Drawdown or by purchasing an Annuity.

In the event that we do not have a record of your tax-code at the time of your request, the part of the UFPLS that has to be taxed as income will be paid subject to an emergency tax code on a month one basis. This may result in either too much or too little tax being collected, which you should arrange to be rectified directly with HMRC.

Taking an UFPLS will also trigger the Money Purchase Annual Allowance, if you have not already triggered it, reducing the future amount you can contribute to your Scottish Widows Personal Pension Account or any other money purchase pension scheme, without incurring a charge.

If you withdraw all your savings from your Account as an UFPLS, any outstanding Charges will be taken before the final amount is paid out.

#### Flexi-Access Drawdown

Flexi-Access Drawdown allows you to take an income from your Scottish Widows Personal Pension with no limit set on the level of income you can take.

You can choose to take an income directly from your Scottish Widows Personal Pension. You do this by moving some or all of the money into drawdown within your Account. Your Financial Adviser will provide you with an illustration from us and once you tell them you are happy to proceed, they will instruct us to crystallise the benefits and set up a drawdown pension. You will then be able to start making withdrawals from the Scottish Widows Personal Pension. If you have unused Lump Sum Allowance available, you can also choose to take a Pension Commencement Lump Sum at the same time you start a Drawdown Pension or on further crystallisations.

If you do not have a Financial Adviser then we will provide you with an illustration and you will need to confirm that you are happy to proceed so that we can crystallise your benefits.

There is no minimum amount you need to start Drawdown although if you are looking to have a regular income, sufficient funds to meet ongoing payments will need to be crystallised. You will be given information about this from us or your Financial Adviser and our illustration.

When you first a Flexi Access Drawdown income payment from your Scottish Widows Personal Pension, you will trigger the Money Purchase Annual Allowance if you have not already triggered it. This will reduce the future amount you can contribute to your Scottish Widows Personal Pension Account, and any other money purchase pension you have.

You can continue to allocate money within your Account into Flexi-Access Drawdown.

Allocating money into a Drawdown Pension has the potential to incur additional Charges and you should make sure you have checked with your Financial Adviser and/or the Charge Information Document for details of what these are.

Each time we allocate money into Drawdown we will calculate the Pension Commencement Lump Sum that is available, if any. This will be based on the value of your Assets at the time money is allocated into Drawdown. Because of this, the amount available may be different to what we quoted in any illustration.

You can take drawdown income monthly, quarterly, half-yearly or yearly. You can also choose to take it as a series of one-off withdrawals on any date between the 1st and the 28th of the month inclusive. If your circumstances change in the future, you can change the amount of income or the frequency at which it is paid. These withdrawals will be taxed as income.

When a payment date falls on a non-Business Day, payment will be made on the previous Business Day. All Drawdown Pension payments will be made into a nominated UK bank or building society account by BACS.

You/ your Financial Adviser are responsible for ensuring there is sufficient Available Cash to cover any requested income payments.

### **Drip-Feed Drawdown (DFD)**

Is an automated phased drawdown option, allowing you to draw regular amounts using either just Pension Commencement Lump Sum cash or a combination of Pension Commencement Lump Sum entitlement and taxable income. Please note this option is only available when you have a Financial Adviser.

### **Capped Drawdown**

Capped Drawdown may be available if you were already using it before 6th April 2015 on the Advance Platform or you have transferred in Capped Drawdown benefits from another pension scheme. There are maximum income limits set by HMRC which we must adhere to.

For any arrangements that are providing a capped drawdown pension, the drawdown pension you take each year from these arrangements must be no more than the maximum capped drawdown pension limit set by HMRC.

We will calculate your maximum drawdown pension based on this limit, which is set every three years up to the end of the pension drawdown year in which you reach age 75, after which it is reviewed every year.

Whilst the calculations are being performed, you will not be able to buy or sell assets within your Scottish Widows Personal Pension until the calculations have completed. This may take up to 15 Business Days.

HMRC regulations also require us to recalculate your maximum limit if:

- You put additional holdings into your capped drawdown pension arrangement
- You use some of your capped drawdown pension arrangement to purchase an annuity, or
- Your capped drawdown pension arrangement is subject to a pension sharing order on divorce or the dissolution of a civil partnership.

The calculations will be performed in line with HMRC regulations and may increase or decrease the maximum drawdown pension you can take.

### **Converting Capped Drawdown to Flexi-Access Drawdown**

Your adviser can instruct us to convert any Capped Drawdown arrangements created or transferred into your Scottish Widows Personal Pension to Flexi-Access Drawdown. Immediately prior to the conversion taking place, any accrued charges or interest will be applied to the arrangements selected for conversion, in line with section 1.12.

It will not be possible to convert from Capped Drawdown to Flexi-Access Drawdown if any of the following apply:

- There are outstanding buy or sell orders
- Income payments are processing
- Instructions have been submitted to move cash or assets to the arrangement
- Assets within the arrangement are held in an investment adviser model portfolio
- A complex corporate action is underway and the arrangement is invested in the relevant asset.

The Capped Drawdown arrangements being converted will be merged into a single Flexi-Access Drawdown arrangement and combined with any cash or assets that you have moved into Flexi-Access Drawdown in your Scottish Widows Personal Pension. Once an arrangement has been converted to Flexi-Access Drawdown it is not possible to convert it back to Capped Drawdown. If income is taken from the Flexi-Access Drawdown arrangement after the conversion has completed, this will trigger the Money Purchase Annual Allowance if it does not already apply to you.

### **Small Pension Funds**

In some instances, where the value of your Scottish Widows Personal Pension is below a certain limit, you may be able to take the full value of your Account as a Cash lump sum. To do this your Scottish Widows Personal Pension Account must meet the requirements of the Government's 'small pension fund' rules at that time. The lump sum will be paid 25% tax-free, with the remainder subject to income tax in line with HMRC requirements if it is paid from your uncrystallised pension. If it is paid from your crystallised pension it will all be

subject to income tax. You can find out more about the 'small pension fund' rules from your Financial Adviser or by visiting the [gov.uk](https://www.gov.uk) website.

If you take the value of your Scottish Widows Personal Pension fund under the 'small pension fund' rules, this will not trigger your Money Purchase Annual Allowance and will not count towards your Lump Sum Allowance or your Lump Sum and Death Benefit Allowance (as detailed in Section 2.8.1).

### Buying An Annuity

Your Financial Adviser will advise you whether an Annuity is right for you. We do not provide Annuities but you can take an 'Open Market Option' to purchase an Annuity with another provider. If you do not have a Financial Adviser we will provide you with information about how you may be able to purchase an Annuity from another provider.

You can choose to take only some or all your Scottish Widows Personal Pension Account as an 'Open Market Option' to buy an Annuity. Your Financial Adviser or you will place Trade Instructions with us to sell the Assets in your Account in line with section 1.10.3 to create sufficient Available Cash to purchase the Annuity. Once we have the proceeds of sale in Available Cash, we will then forward the amount on to your chosen Annuity provider. If you have unused Lump Sum Allowance available and have chosen to take a Pension Commencement Lump Sum, we will calculate the lump sum due, if any, and then pay this to you at the same time we make the transfer to buy an annuity.

If you only use part of the money in your Account to buy the chosen Annuity, including taking any tax-free lump sum, the rest will continue to be invested in the existing Assets.

## 2.8 Deceased Clients

On your death the Investments in your Scottish Widows Personal Pension will remain unchanged but will remain subject to market movement until we receive any required documentation from the beneficiaries (or their personal representatives) that allows us to distribute any proceeds.

We pay the benefits in line with the Scheme Rules taking account of any beneficiaries you may have nominated when we decide who to pay the benefits to and how much each person will receive. Beneficiaries can be nominated by completing an Expression of Wish form on the Scottish Widows Platform.

Your beneficiaries can choose to receive the benefits as one of the following options:

- as a Cash lump sum.
- as a guaranteed yearly income by transferring the benefits to buy an Annuity from an Annuity provider.
- as a flexible income that they can increase or decrease by taking the benefits as Flexi-Access Drawdown.

We will write to your beneficiaries setting out the options available to them. These benefits may be taxed but this will depend on:

- your age at the time of your death. If you die before age 75, death benefits will normally be paid free of tax. However if you die on or after your 75th birthday,

benefits will be subject to tax.

- the benefits being paid out within 2 years of your death. If it takes longer to pay out your benefits they will be subject to tax.
- whether you have sufficient unused Lump Sum and Death Benefit Allowance as detailed in Section 2.8.1.

If you have any Drawdown Pension in your Account and payments are made between the date of your death and the date we receive notification of it, these may need to be returned to us. In some circumstances there may be a delay in passing the benefits on to your beneficiaries due to the type of Asset that you are invested in, for example an Asset may be suspended from trading.

### 2.8.1 Lump Sum and Death Benefit Allowance

The amount of any tax-free payments that can be paid to your beneficiaries will be limited to the unused Lump Sum and Death Benefit Allowance available, if any. The available allowance will be reduced if you have previously received any tax-free lump sums from this or other pension accounts.

## 2.9 Transferring Out Of Your Scottish Widows Personal Pension

You can ask us to transfer some or all of the value of your Scottish Widows Personal Pension, as either a Cash Transfer or re-registration of Assets, to another HMRC registered pension scheme or Qualifying Recognised Overseas Pension Scheme (QROPS) that is willing to accept the transfer. Where the transfer is to include any money currently being used for Drawdown, the entire Scottish Widows Personal Pension must be transferred in full.

A transfer to a QROPS will be subject to an Overseas Transfer Charge of 25% on the full value of the transfer. Under certain circumstances this charge will not be applied and the transfer will qualify for the Overseas Transfer Allowance which, for the tax year 2024/25, is set at £1,073,100.

To find out if you qualify for the Overseas Transfer Allowance please visit [www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm102200](https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm102200)

Where the cumulative value of transfers to QROPS exceeds this allowance the 25% Overseas Transfer Charge will apply to the value of the transfer in excess of this allowance.

## 2.10 Unauthorised Payments

We will not knowingly send you an Unauthorised Payment and so where a payment or other benefit results in a Scheme Sanction Charge, payment of the charge will be your responsibility and deducted from the Scottish Widows Personal Pension. This will only change if the charge was a result of fraud, or negligence in the administration of your Scottish Widows Personal Pension.

## 2.11 Payment In Error

In the event you become aware that the amount of the payment, or the reason for payment made by us to you has been in error, you agree to immediately notify your Financial

Adviser or us of the erroneous payment, and to fully comply with the Instructions we provide you to enable the error to be rectified.

In the event we make you aware either directly or through your Financial Adviser that the amount of a payment or the reason for a payment to you has been in error, you agree to immediately take all reasonable steps to fully comply with the Instructions we provide to enable the error to be rectified.

## **2.12 Pension Splitting And Sharing Order**

On receipt of the appropriate official court order and other necessary documentation relating to either pension splitting or pension sharing, we will provide any information or follow any Instructions without question under Part IV of the Welfare Reform and Pensions Act 1999.

If a pension sharing order is made and your Scottish Widows Personal Pension is in capped drawdown pension, we will review the maximum income allowed under the regulations, which may result in a different maximum income. Where it is less, the new maximum will not take effect until the start of the next pension drawdown year.

We reserve the right to recover reasonable administrative expenses from your Scottish Widows Personal Pension Account for carrying out any such Pension splitting or pension sharing order.

## **2.13 Right To Dispose Of Investments**

You acknowledge that ETL shall be entitled to dispose of any Investment held in your Scottish Widows Personal Pension without consultation or the provision of prior notice to you, if in our reasonable opinion the continued retention of such Investment would not be consistent with both ours and ETL's fiduciary obligations to the Scheme to ensure the effective administration of investments.

You further acknowledge that should we and ETL dispose of any Investment held in your Scottish Widows Personal Pension in accordance with this clause 2.6, neither ourselves or ETL shall be liable for any loss or cost incurred by you as a consequence of such a disposal.

## **2.14 Closing Your Scottish Widows Personal Pension**

Your Scottish Widows Personal Pension will be closed by us when:

- the full value has been withdrawn and no future regular contributions are expected;
- there is a material breach in the Terms & Conditions; or
- the scheme is wound-up in line with the scheme rules.

## **2.15 Junior Personal Pension**

When the Junior reaches 18 they will become the registered owner of a Scottish Widows Personal Pension, at this date the Platform Charges applicable to the Scottish Widows Personal Pension Account will apply.

# 3

## Additional terms for your Scottish Widows ISA only

### 3.1 Roles And Responsibilities

Your Scottish Widows ISA is a stocks and shares ISA and is classed as a Flexible ISA. We will manage your Scottish Widows ISA in accordance with our Terms & Conditions and the ISA Regulations in force at that time. Where these Terms & Conditions conflict with the ISA Regulations, the ISA Regulations will prevail. Custody of the Assets will be held in line with Section 1.11 in accordance with which you will remain the beneficial owner.

### 3.2 Starting Your Scottish Widows ISA

When your Financial Adviser applies for a Scottish Widows ISA on your behalf, they will be prompted to complete an ISA declaration on your behalf. We will assume that the acceptance of this declaration has been done with your knowledge and approval.

### 3.3 Cancellation Rights

The following Terms apply in addition to those in Section 1.5. In the event that you cancel your request to set up a Scottish Widows ISA, we will proceed as follows:

- if you cancel a transfer from a Cash ISA, the ISA Regulations provide we will not be able to return the transfer to the original Cash ISA manager and so you will need to provide us with an Instruction to send it to and another ISA manager. If we do not receive such an Instruction, it will be sent to you.
- if you cancel the Cash Transfer from a stocks and shares ISA and the transferring ISA manager refuses to take the

transfer back, we will hold the proceeds as Available Cash for 10 calendar days before returning it to you if no other Instructions or Trade Instructions are received.

- if you cancel your Scottish Widows ISA within the cancellation period, you will be treated as not having taken the ISA out and so you will be able to take out another stocks and shares ISA in the same tax year with us or a different ISA manager.

### 3.4 Contributions To Your Scottish Widows ISA

Contributions into all your ISAs must not exceed the annual ISA allowance. It is up to you and your Financial Adviser to ensure this does not happen.

As the Scottish Widows ISA is a Flexible ISA, if you make withdrawals from your ISA in line with Section 1.14, they may be paid back in the same tax year. Any contributions made following a withdrawal will first be treated as a repayment of a previous withdrawal in the tax year, before they start to count towards your annual ISA allowance.

#### 3.4.1 Additional Permitted Subscriptions

Following the death of your spouse or civil partner you may have an additional permitted subscription allowance. You may pay subscriptions up to the value of the allowance. The allowance will usually be the higher of either their ISA holdings at the date of their death or the value on the day their ISA was closed. Any subscriptions that you pay in relation to the additional permitted subscription allowance are in addition to those that you may also pay using your annual ISA allowance.

The additional permitted subscription allowance can be used with this ISA or another ISA manager if you wish. Subject to HMRC rules, you may only transfer the allowance once to another ISA manager and any unused allowance may be lost if you then attempt to transfer this again to another ISA manager.

You may make additional permitted subscriptions in two ways:

- You may transfer your spouse or civil partner's existing ISA holdings subject to funds being available within this ISA. The transfer must be completed within 180 days of beneficial ownership passing to you;
- You may pay new subscriptions (excluding regular payments) within 3 years of the date of death, or if later, within 180 days of finalising the administration of your spouse or civil partner's estate.

### 3.4.2 Transfers In

You may at any time instruct your existing ISA manager to transfer all or part of your ISA with them to us, in line with the ISA Regulations. This may be as a Cash Transfer or, where possible, by re-registration of Assets.

## 3.5 Withdrawals

You/your Financial Adviser will be able to provide an Instruction for a single withdrawal of all or part of the value of your Scottish Widows ISA and have the proceeds paid to you or transferred to another ISA manager.

You/your Financial Adviser will place Trade Instructions with us to sell the relevant Assets (in accordance with Section 1.10.3) and then we will pay the proceeds at the earliest practicable time.

### 3.5.1 Transferring To Another ISA Manager

You can transfer all or part of a previous tax year's contributions to another ISA manager. Any contributions paid in the current tax year must be transferred in full. Partial transfer that contain a mix of current and previous tax year contributions will need to be transferred separately.

If you have made any withdrawals in the current tax year and your intention is to transfer your Scottish Widows ISA to another ISA manager, you may wish to consider repaying some or all of the withdrawals in accordance with the ISA Regulations. Once the ISA has been transferred to another ISA manager you will be unable to replace the withdrawals.

## 3.6 Deceased Clients

When we are notified of your death, your Scottish Widows ISA will be designated as a Continuing ISA which will retain the tax benefits of a Scottish Widows ISA until the earlier of:

- closure of the Account;
- the completion of the administration of your estate resulting in your Account being closed; or
- three years from the date of your death;

In the event your Continuing ISA has not been closed prior to the expiry of the three-year period from the date of your death, we will start the process of moving all Investments

from your Continuing ISA to a Scottish Widows General Investment Account (GIA).

We will move the Investments through an administrative transfer process but we should point out that from the point in time the transfer of each Investment from the Continuing ISA to the Scottish Widows GIA is complete, all interest, Dividends and/or distributions received in respect of each Investment will be subject to the same standard tax treatment applied to other investment in a Scottish Widows GIA.

The movement of investments from your Continuing ISA to a Scottish Widows GIA will not incur any Charges from us.

Investments will remain unchanged but will remain subject to market movement until we receive the required documentation from the beneficiaries (or their personal representatives) that allows us to distribute any proceeds from the Continuing ISA or the Scottish Widows GIA.

## 3.7 Closing Your Scottish Widows ISA

Your Scottish Widows ISA will be closed when:

- the full value has been withdrawn;
- there is a material breach in the Terms & Conditions;
- the Account is deemed to be void under the ISA Regulations; or
- we are no longer an authorised ISA manager.

If we receive notification from HMRC to either repair or void your Scottish Widows ISA, we will notify your Financial Adviser and you as soon as practicable. HMRC will inform us of any action to take and we will carry it out.

If your Scottish Widows ISA becomes void, we will transfer your investments into a Scottish Widows GIA, thereby removing the beneficial tax status of the Account.

We may deduct proceeds to cover any tax liability incurred in voiding or repairing your Scottish Widows ISA and may request additional information to confirm your circumstances.

Because the Investment will no longer be held in the Scottish Widows ISA, you may be liable for tax on future distribution payments from Assets that are consequently held in a Scottish Widows GIA.

# 4

## Additional terms for your Scottish Widows JISA only

### 4.1 Roles And Responsibilities

Your Scottish Widows JISA is a Stocks and Shares Junior ISA. We will manage your Scottish Widows JISA in accordance with these Terms & Conditions and the ISA Regulations in force at that time. Where these Terms & Conditions conflict with the ISA Regulations, the ISA Regulations will prevail.

Custody of all Investments held in the Scottish Widows JISA will be held in line with Section 1.11, in accordance with which, the child holds the beneficial interest in such Investments at all times.

### 4.2 Opening a Scottish Widows JISA

The Scottish Widows JISA can be opened by your Financial Adviser acting on your Instructions as the registered contact for a child.

The child must be a person under 18 years of age and resident in the UK for tax purposes.

If the child holds a Child Trust Fund, the child cannot hold a JISA at the same time. You are able to transfer the Child trust fund into the JISA.

The child is only permitted to have one stocks and shares JISA account with one JISA provider. If you decide to open a Scottish Widows JISA, Investments held within a stocks and shares JISA with another provider would be required to be transferred to the Scottish Widows JISA.

When your Financial Adviser applies for a Scottish Widows JISA on your behalf, they will be prompted to complete a JISA declaration on your behalf. Confirmation of the declarations

made on your behalf will be made available to you. If any of the declarations made are incorrect or subsequently become incorrect you must notify us through your Financial Adviser as soon as possible.

### 4.3 Cancellation Rights

The following Terms apply in addition to those in Section 1.5.

If you cancel your request to set up a Scottish Widows JISA, we will proceed as follows:

- cash proceeds will be returned to you and treated as if they had never been part of a JISA, so you can open another Stocks and Shares JISA with us or a different JISA Manager.
- transfers from other JISA providers will be cancelled, and where we can, we will return the transfer to the other Provider. Where the transfer has already occurred, we are not permitted to return these funds to you. Cash will remain in your Scottish Widows JISA until we receive your Instruction to transfer the Account to another provider.
- where the transfer is from a cash JISA, we are not permitted to return the Cash to the other JISA Manager. Cash will remain in your Scottish Widows JISA until we receive your Instruction to transfer the Account to another provider.

### 4.4 Registered Contact

We will only accept appropriate Instructions or Trade Instructions from you as the registered contact for the Scottish Widows JISA or the appointed Financial Adviser on the Terms set out in these Terms & Conditions.

A Scottish Widows JISA cannot be operated under a Power of Attorney for the registered contact.

The role of the registered contact can be passed to another person who has parental responsibility for the child.

In most circumstances, the registered contact can only be changed with the consent of the existing registered contact. On receipt of appropriate Instructions from your Financial Adviser we can attend to the change.

In the case of death of the registered contact, your Financial Adviser will need to provide us with either the original or certified copy of the death certificate as proof of death. We will not act on further Instructions in respect of the Scottish Widows JISA until a new registered contact is appointed.

The consent of the existing registered contact is not required to effect a change in the registered contact where:

- he or she has died or is incapacitated, or
- he or she cannot be contacted, or
- a new registered contact has adopted the child or
- a court has ordered the change.

## 4.5 Subscriptions

Payments into all the child's JISAs, must not exceed the maximum subscription levels set out in the ISA Regulations for the current tax year. It is up to you and your Financial Adviser to ensure this does not happen.

Any subscription paid into the Scottish Widows JISA is a gift to the child for inheritance tax purposes, and cannot be returned, unless the Scottish Widows JISA is cancelled during the 30-day cancellation period as described in these Terms & Conditions.

Any additional subscription received in excess of the subscription limit for the current tax year will be returned. The balance will be repaid to the subscriber or if applicable, returned to the savings account in the child's name, depending on who made the additional subscription.

We hold the Cash in a Scottish Widows JISA in one or more Client money accounts with our Banking Partners. We operate these accounts in line with Client Money Rules of the FCA.

## 4.6 Tax

We will pay any income arising from Assets into the Scottish Widows JISA. Where income tax has been deducted at source, we will claim this tax back on the child's behalf and pay it into the Scottish Widows JISA as Cash. We cannot claim back tax credits from Dividends.

## 4.7 Termination And Withdrawal

You may not close, or withdraw Investments from the Scottish Widows JISA before the child's 18th birthday except:

- on the death of the child,
- where a terminal illness claim has been accepted by HMRC and we have received a copy of the HMRC acceptance letter and the Registered Contact has withdrawn the Investments from the Scottish Widows JISA

We may close the Account in the following circumstances:

- on direction from HMRC (where the JISA is void or repaired),
- to pay any Platform Charges, Adviser Charges or Discretionary Investment Manager Model Portfolio Charges,
- where the Account balance is nil because all the Investments have been transferred to a third party JISA provider,
- where a small Account balance exists and ongoing payments have ceased and the Charges then bring the balance down to nil, or
- where a terminal illness claim has been accepted by HMRC and we have received a copy of the HMRC acceptance letter and the registered contact has withdrawn the investments from the Scottish Widows JISA.
- where there is a material breach of these Terms & Conditions
- if we stop being an authorised ISA manager

We will tell you/your adviser before we close your Account.

### 4.7.1 Death Of The Child

The exemption from tax provided by a Scottish Widows JISA shall terminate automatically on the death of the child. You or your Financial Adviser must notify us of such an event as soon as possible and we will require your Financial Adviser to provide us with the original or a certified copy of the death certificate as soon as one is available.

Any regular contributions will cease.

We will then start the process of moving all investments and Available Cash from the JISA into a Scottish Widows GIA on your behalf.

We will attempt to move the Investments through an administrative transfer process, but we should point out that:

- if your child is invested in any Investments that have 'gross share class' units, these will be converted to the equivalent 'net share class'. If there is no 'net share class' equivalent available, then the Investment will be sold and Cash passed over. You should ask your Financial Adviser to let you know if your child is invested into Investments with 'gross' or 'net share class' units;
- any interest, Dividends and/or distributions received after your child's death will be subject to the standard tax treatment applied to other Investments in the Scottish Widows GIA.

This movement of Investments from a Scottish Widows JISA to a Scottish Widows GIA will not incur any Charges from us and any Adviser Charges will be stopped.

The Investments will remain unchanged but will remain subject to market movement until we receive the appropriate Instruction and the required documentation from the child's personal representatives that allows us to distribute any proceeds.

### 4.7.2 Terminal Illness

Where a terminal illness claim is made on behalf of a child and has been agreed by HMRC, the registered contact must

provide us with a copy of the HMRC letter before we can allow any Investments to be transferred out of the Account to the registered contact.

#### 4.7.3 Instruction From HMRC

We may close a Scottish Widows JISA, if we receive a direct Instruction from HMRC for any of the following reasons:

- due to an invalid application;
- due to a breach of ISA Regulations; or
- due to the registered contact already having subscribed to another JISA of the same type for the same child.

Where the Scottish Widows JISA or part thereof is to be treated as void, we will notify the registered contact that the Scottish Widows JISA, or part thereof, has not qualified or will no longer qualify for tax relief. In such an event we will void the Scottish Widows JISA, or part thereof, realise the value of the relevant Investments and subject to deduction of any Charges, pay the proceeds to the registered contact.

In certain circumstances where there is a failure to satisfy the ISA Regulations, HMRC may require the Scottish Widows JISA, or part thereof to be repaired. We will repair the Scottish Widows JISA, or part thereof, in accordance with the ISA Regulations and Instructions from the HMRC.

#### 4.7.4 Child's 18th Birthday

We will write to the registered contact and your Financial Adviser prior to the child's 18th birthday to remind them that the child is approaching the age at which they can take control of their Scottish Widows JISA.

When the child turns 18, the Scottish Widows JISA will automatically become a Scottish Widows ISA. This will remain invested in accordance with the Financial Adviser's prior Trade Instructions, until new Instructions or Trade Instructions are received from the Financial Adviser for the distribution or transfer of the investments. Please refer to the ISA Terms & Conditions in Section 3 for further details of how the Scottish Widows ISA operates. The child upon turning 18 may need to update his or her details through the Financial Adviser allowing the Financial Adviser to confirm to us that the Financial Adviser is authorised to provide Instructions in respect of the child's Scottish Widows ISA.

This movement of Assets from your Scottish Widows JISA to a Scottish Widows ISA will not incur any Charges from us. Prevailing money laundering checks will need to take place before funds can be withdrawn from the ISA.

#### 4.7.5 Transfers

We may at our discretion accept the transfer of a JISA held with another JISA provider which we will then manage in a Scottish Widows JISA under these Client Terms & Conditions.

On receipt of you/your Financial Adviser's instruction, we will transfer all Investments held in a Scottish Widows JISA to another JISA provider, subject to and in accordance with the ISA Regulations. Partial transfers are not permitted as a child is only allowed to hold one Stocks and Shares JISA.

#### 4.7.6 General

The registered contact must immediately inform the Financial Adviser about any changes to the information given in the child's Scottish Widows JISA application and if any of the declarations contained in the application forms are no longer true.

### 4.8 Closing Your Scottish Widows JISA

Your Scottish Widows Junior ISA will be closed when:

- the child reaches the age of 18 and it is automatically converted to a Scottish Widows ISA;
- you transfer your JISA to another provider;
- there is a material breach in the Terms & Conditions;
- the Account is deemed to be void under the ISA Regulations; or
- we are no longer an authorised ISA manager.

If we receive notification from HMRC to either repair or void your Scottish Widows JISA, we will notify your Financial Adviser and you as soon as practicable. HMRC will inform us of any action to take and we will carry it out.

If your Scottish Widows JISA becomes void, we will transfer your investments into a Scottish Widows GIA, thereby removing the beneficial tax status of the Account. We may deduct sufficient proceeds to cover any tax liability incurred in voiding or repairing your Scottish Widows JISA and may request additional information to confirm your circumstances. Because the Investment is no longer held in the Scottish Widows JISA, you may be liable for tax on future distribution payments from Assets that are consequently held in a Scottish Widows GIA.

# 5

## Additional terms for your Scottish Widows GIA only

### 5.1 Joint Accounts

#### 5.1.1 Joint Holders

We will accept a maximum of six joint holders on any one Account. All joint holders must meet the eligibility criteria detailed in Section 1.3.

A Scottish Widows GIA which is opened as part of a joint application is held by each person as joint tenants. This means that all Account holders own the whole Scottish Widows GIA, and do not each have their own distinct share in it. If one Account holder dies, the Scottish Widows GIA continues in the names of the remaining Account holders.

Joint holders are jointly and severally liable for the obligations of each other (including but not limited to the payment of Charges and fees) and we may ask all or any one of you to pay in full any amount you owe us, not just a proportion.

We will take instructions from, make payments to, and communicate with, any Joint Holder unless we tell you otherwise. This means all named parties will be jointly and individually responsible for the operation of the Account and that any one Joint Holder may place or confirm an instruction which will bind all parties to the Joint Account

Where we receive Instructions and Trading Instructions from your Financial Adviser that relate to an Account held in joint names, we will carry out those Instructions on the basis your Financial Adviser has obtained the appropriate permissions from all Account holders.

If you wish to: (a) merge your Account with another Account; (b) close your Account or transfer it to another provider; (c) change some of your personal details; or (d) give or revoke

the authority of a third party (including a Financial Adviser) to operate your Account; we may ask for written notice from all joint holders.

Each joint holder will be given their own access to the Online Services.

### 5.2 Organisations

We will take instructions from, make payments to, and communicate with, any named parties unless we tell you otherwise. This means all named parties will be jointly and individually responsible for the operation of the Account. Any Trustee may place or confirm an Instruction or trade Instruction which will bind all parties to the Account.

If you wish to: (a) withdraw your Assets; or (b) close your Account or transfer it to another provider give or revoke the authority of a third party (including your Financial Adviser) to operate your Account; You must give us written notice signed by all Authorised Persons.

If we receive notice of a Winding Up Event affecting you, we will take instructions from those individuals who can demonstrate to us that they are entitled to act on your behalf.

We will only make payments to the bank account of the Organisation as the Account holder.

### **5.3 Trusts**

We will take Instructions and Trading Instructions from, make payments to, and communicate with the Trustees. All Trustees are jointly and individually responsible for the operation of the Account and any Trustee may place or confirm an Instruction which will bind all parties to the Account.

If you wish to: (a) withdraw your Assets; or (b) close your Account or transfer it to another provider (c) give or revoke the authority of a third party (including your Financial Adviser) to operate your Account; You must give us written notice signed by all Trustees.

We will only make payments to the Trust bank account, or an account used solely for the purpose of the Trust.

### **5.4 Instructions**

Any sale of Assets may need to be assessed against income and capital gains tax via your self-assessment return.

Please speak to a Financial Adviser when considering whether any tax consequences arise after any Asset sales made from within your Scottish Widows GIA.

### **5.5 Deceased Clients**

On the death of the last remaining Account holder, the Assets will remain unchanged, but their value will be subject to market movement until we receive any required documentation from the beneficiaries (or their personal representatives) that allows us to distribute any proceeds from the Scottish Widows GIA.

This does not apply to Trust Accounts or Corporate Accounts.

### **5.6 Closing Your Scottish Widows GIA**

Your Scottish Widows GIA will be closed when:

- the full value has been withdrawn; or
- there is a material breach in the Terms & Conditions.

# 6

## Additional terms applicable to your Scottish Widows TPIA only

### 6.1 Starting your Scottish Widows Third Party Investment Account (TPIA)

When your Adviser chooses to invest your Third Party Product in a Scottish Widows Platform Account you will enter into an Agreement with the Third Party Provider. The Third Party Provider will then contact Scottish Widows Platform who will open a Scottish Widows Third Party Investment Account (TPIA). Your Adviser will then use this TPIA to manage your investments for you.

Your Scottish Widows TPIA must be opened by the Third-Party Provider.

### 6.2 Roles of the Third Party Provider

The roles and responsibilities of each Party for the administration and operation of the Scottish Widows TPIA are detailed in this section 6.

Where your Scottish Widows TPIA has been opened by a Third Party SIPP Provider, they are recorded as a Trustee on the Account. You will remain the beneficial owner.

Where your Scottish Widows TPIA has been opened by a Third Party Bond Provider, they are the beneficial owner of the Account

### 6.3 No Cancellation Rights

You acknowledge and agree that when you open a Scottish Widows TPIA that we are not obligated to send any cancellation rights as part of your Confirmation Schedule.

### 6.4 Minimum Amount Required To Open An Account

We require a minimum amount of £5,000 in Cash or Assets to be transferred into a Scottish Widows TPIA at the point the Account is opened with us.

### 6.5 Trusts

You acknowledge that each trustee shall be jointly and severally liable for the actions of the other trustees and generally we will accept Instructions or Trade Instructions from one trustee on behalf of all trustees.

### 6.6 Authority To Provide Instructions Or Trade Instructions

In the event your Financial Adviser provides us with Instructions or Trade Instructions, or where you provide us with Instructions or Trade Instructions directly, you agree we can treat such Instructions or Trade Instructions as having been properly authorised by you in accordance with the relevant Third Party Provider, their Permitted Investment list or their Pension Trust Rules.

### 6.7 Investment Income

You acknowledge that we will not pay investment income from a Scottish Widows TPIA in accordance with section 1.9.1 of these Terms & Conditions. Investment income will be retained within the Scottish Widows TPIA.

## 6.8 Legal Entity Identifiers (LEI)

You acknowledge that until the Third Party Provider gives us their LEI (if appropriate), or if required, your National Insurance Number, and any other information about the beneficial owners, we reserve the right to not proceed with any Instruction or Trade Instruction.

## 6.9 Limitation Of Liability

The liability of any professional trustee shall be limited to the value of the Investments in the Scottish Widows TPIA unless any breach of this Agreement is caused by the professional trustee's negligence, fraud or wilful default.

## 6.10 Anti Money Laundering

You acknowledge and agree to provide us with any information and documentation required by us under Applicable Laws for the purposes of undertaking and completing our Anti Money Laundering checks.

You further acknowledge that we may be relying on the Anti Money Laundering checks the Third Party Provider has completed for the purposes of meeting our own regulatory obligations. Accordingly, you agree that they can provide us with any information or documentation they hold in relation to the Anti Money Laundering procedures they have conducted immediately upon receipt of a written request from us.

## 6.11 Contributions

Unless otherwise agreed, you acknowledge that we will only accept Cash into the Scottish Widows TPIA that has been transferred from a single nominated bank account in the name of the Third Party Provider, the details of which will have been provided to us in the application to administer TPIA Accounts on the Scottish Widows Platform.

We will allow the transfer of money into a TPIA by means of Direct Credit. To enable us to allocate Cash received to the correct TPIA, you acknowledge that the Direct Credit payment must be accompanied by the correct TPIA reference details when making any payment to us. Where such reference details are incomplete or missing, the Cash will be transferred back to the Third Party Provider.

## 6.12 Withdrawals

The Third Party Provider can arrange either one-off or regular withdrawals from the Scottish Widows TPIA at any time. Withdrawals must be a specified Cash amount, in pounds sterling and paid to a nominated UK bank or building society account and from the Available Cash in your Account.

When arranging the withdrawal, there will need to be sufficient Available Cash in place for the withdrawal.

Unless otherwise agreed, all withdrawals from a Scottish Widows TPIA will be made by us into the same single nominated bank account from which Cash was transferred to us.

If we receive an Instruction to withdraw the full value of an Account, where applicable, we will deduct all the Charges due under these Terms & Conditions up to the date of the withdrawal.

We reserve the right to refuse the payment of a withdrawal where we suspect fraud or money laundering.

## 6.13 Access

In addition to Clause 1.6, we will provide the Third Party Provider with read-only access to view all Scottish Widows TPIAs linked to the Third Party Provider through a single login process.

## 6.14 Closing Your Scottish Widows TPIA

Your Scottish Widows TPIA will be closed when:

- the full value has been taken; or
- there is a material breach in the Terms & Conditions.

Where the Third Party closes your Scottish Widows TPIA we will sell the Assets in the Account. The proceeds from the sale of the Assets, plus any Cash in the Account, less any outstanding Charges or Fees owing to Scottish Widows Platform, or the Financial Adviser, will be sent by us into the same single nominated bank account from which Cash was transferred to us.

# Other terms

## 7.1 Our Data Protection Policy

We are authorised under Data Protection Legislation to maintain, process and store your personal information. We will use this information to set up and administer your Accounts and for legitimate business reasons (including, but not limited to, the provision of information to a Group Company, your Financial Advisers, Discretionary Investment Managers, contracted Third Parties, and Trusted Third Party Service providers including, Fund Managers, in the event that they reasonably request such information from us.

We may also be required to share information with other companies or organisations, governmental bodies or regulatory bodies (including those outside the EEA) if required to do so by Applicable Law so they can process it. The processing of any information by us pursuant to this Section 7.1 shall be conducted in compliance with Data Protection Legislation and our Privacy Notice a copy of which can be obtained from the Scottish Widows Platform website.

We will otherwise keep your personal information confidential.

You always have certain rights around the processing of your data which include:

- your right to request a copy of the information we hold about you (in some circumstances, we may charge you for this);
- making sure any request to amend incorrect data about you is processed;
- blocking the use of data that may cause damage or distress to you; and
- claiming compensation for our failure to comply with the Terms of the Act.

You can obtain any further information about how we collect and process your data as well as other information under Data Protection Legislation by using the contact details below:

### The Data Protection Officer

Scottish Widows Platform  
PO Box 24065  
1 Tanfield  
Edinburgh  
EH3 1EY

By email: [service@scottishwidowsplatform.co.uk](mailto:service@scottishwidowsplatform.co.uk)

By telephone: **0330 024 2345**

## Information Commissioner's Office

The office of the Information Commissioner is the government appointed office with responsibility for data protection. They can assist with any complaints or questions you may have. They can be contacted on **0303 123 1113** or online at [ico.org.uk](http://ico.org.uk).

## 7.2 International Tax Compliance

You understand and agree that where you have declared to us, to being tax resident in any non-UK country, or where based on information you have provided to us, or where based on publicly available information, we have assessed you to be tax resident in any non-UK country, that for each calendar year you hold a reportable Account with us (currently just the Scottish Widows GIA is a reportable Account), certain personal and Financial information relating to your Scottish Widows GIA will be reported by us to HMRC the following year in accordance with the International Tax Compliance Regulations 2015, and may be transferred by HMRC to the government of another territory, in accordance with the relevant agreement in place between the UK and the authorities of that other territory.

In addition, we reserve the right to place restrictions on your Account to limit further contributions, investment execution and any activity as we see fit.

## 7.3 Remedies And Waivers

If you or we breach any of these Terms & Conditions, the appropriate remedy can be enforced at any time in the future. No breach by any party will be waived or discharged except with the express written consent of the other.

If you or we fail to use, or delay in using, any right under these Terms & Conditions, it will not affect any other rights under these Terms & Conditions or the use of the same rights in the future.

## 7.4 Unenforceability

If any section of these Terms & Conditions, is held by a court or other competent authority to be invalid, illegal, or unenforceable, that section, (or any relevant part of it) shall be treated as deleted to the extent required and the validity and enforceability of the other sections of the Terms & Conditions (or remaining part of the particular section) shall not be affected.

If any section is found to be invalid, illegal or unenforceable you and we will consult to agree an alternative section which achieves a similar result.

## 7.5 Third Party Rights

These Terms & Conditions apply exclusively to you and us and no third party may rely on or enforce any of the Terms contained herein. A person who is not a party to these Terms & Conditions shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the Terms contained herein.

## 7.6 Our Order Execution Policy

We will take all reasonable steps to get the best possible results when buying and selling Assets for you. Full details of our Order Execution Policy can be found on our Scottish Widows Platform website. To execute orders on your behalf, you consent to our Order Execution Policy when you receive your Confirmation Schedule. Please note the Order Execution Policy may change at any time without notice, however we shall ensure an updated version is available on our Scottish Widows Platform website.

A summary of our Order Execution Policy can be found in Appendix A of these Terms & Conditions.

## 7.7 Conflict Of Interests Policy

We have set up a Policy to deal with any conflict of interest which might arise. This Policy sets out how we identify and manage these conflicts and we will provide you with a copy on request by making it available on our Scottish Widows Platform Website. Please read this document before instructing your Financial Adviser to open an Account with us.

## 7.8 How To Contact Us

If you have any questions about your Scottish Widows Personal Pension, Scottish Widows ISA, Scottish Widows JISA, Scottish Widows GIA or Scottish Widows TPIA you should contact your Financial Adviser in the first instance. If you feel that you need to contact us, you can do so using any of the methods below:

By mail:

**Scottish Widows Platform**

PO Box 24065

1 Tanfield

Edinburgh

EH3 1EY

By email: [service@scottishwidowsplatform.co.uk](mailto:service@scottishwidowsplatform.co.uk)

By telephone: **0330 024 2345**

Available Monday to Friday 8.30am to 5pm. Calls may be recorded for training purposes.

# A

# Appendix A

## Order Execution Policy Summary

This Order Execution Policy Summary applies to all Trade Instructions we receive from you or your Financial Adviser and carry out on your behalf.

Order Execution Considerations:

We will use the price available as the primary measure for achieving best execution in respect of a Trade Instruction.

Other factors include:

- our ability to Trade on the venue using automated execution technology;
- the nature of the stock and its liquidity;
- speed of completion;
- the likelihood of successfully carrying out your Instruction; and
- costs incurred to you from trading on the venue.

In deciding on how much importance we should attach to the factors mentioned above we also have to consider:

- the fact you are a retail customer for the purposes of the FCA Client categorisation rules;
- the size of the order, its impact on the market; and
- the characteristics of the Assets to which your Instruction relates.

We will use our own commercial experience and judgement in determining the relative importance of these factors, and in general, we will regard price as the most important of these factors for obtaining the best possible result. However, we recognise that there may from time to time be circumstances for some customers, particular instruments, or markets where other factors may be deemed to have higher priority.

## Choosing A Venue And Executing Orders

The factors we consider when deciding on the execution venue include:

- general prices available;
- depth of liquidity;
- conditions in the market;
- speed of carrying out Instructions;
- cost of carrying out Instructions;

- the credit worthiness of the counter parties on the venue or the central counterparty; and
- quality and cost of clearing and settlement.

Note: In some markets our choice of venue may be limited because of the nature of our Instruction.

## Venues For Particular Investments

We have set out below our current venues, which we most regularly use to carry out your Trade Instructions and which we believe provide the best prospects for getting you the best deal.

For Mutual Funds for example collective investment schemes (such as unit trusts or open-ended investment companies), we engage a Trusted Third Party provider who deals directly with the Fund Manager.

For ETIs, we will use a number of venues that we believe best allow us to meet our responsibilities under our Order Execution Policy. Examples of ETIs include:

- shares – with the exception of venture capital trusts
- fixed income securities
- Exchange Traded commodities – if they can be held on CREST/Euroclear.

We currently (but not exclusively) use Winterflood Securities Limited. When we carry out your Trade Instruction using Winterflood Securities Limited or another market maker, we buy or sell Investments from or to them, rather than using a regulated market or a multilateral trading system. We may also send your orders to a reputable Stockbroker Partner.

Finally, in choosing a venue we will also consider whether the ETIs can be held within CREST. If the Investment cannot be held in CREST, we will not proceed with the Trade Instruction.

## Monitoring And Reviewing The Policy

On an annual basis we will monitor the effectiveness of our order execution arrangements and the Order Execution Policy.

In the event we receive specific Trade Instructions to buy or sell investments in a particular way or at a particular price, then this Order Execution Policy does not apply to such Trade Instructions.

We will let you know about any significant changes to our execution arrangements or the Order Execution Policy.

# B

# Appendix B

## Glossary

### Account

A specific account set up by a Financial Adviser for a Client to hold a Product on the Scottish Widows Platform.

### Actual Settlement

Means the date on which the buyer and the seller of an Asset deliver cash proceeds in exchange for the Asset. Actual Settlement can take place after Contractual Settlement for a number of reasons, including where the seller of the Asset fails to deliver that Asset to the buyer.

### Adviser Charges

Means the Charges agreed between you and the Financial Adviser for the payment of Services from the Financial Adviser Firm and its Associates, which is facilitated by us pursuant to section 1.13.

### Adviser Terms Of Business

Means the Terms of Business agreed between us and the Financial Adviser appointed by you for the provision of Services by the Financial Adviser in respect of your Accounts held with us.

### Aggregation of Orders

A common method of executing trading orders at one time by placing orders in batches at time periods set by us across the Business Day.

### Annual Allowance

An annual limit on the value of pension contributions made on your behalf and pension benefits accruing for you set by HMRC. If you exceed this limit in any tax year you will be taxed on the excess at your marginal rate.

### Annuity

A type of retirement income product that provides you with a regular payment, usually for life.

### Applicable Laws

Any law or regulation in force or applicable to the UK or European Union including any Court Order, that is relevant in the context of the subject or topic being discussed.

### Appointed Representative

A Financial Adviser Firm that has entered into an appointed representative arrangement pursuant to section 39 of the Financial Services and Markets Act 2000 with an FCA authorised Financial Adviser Firm or network to provide regulated advisory Services to Clients.

### Appropriateness Test

Means a questionnaire that we will issue to you which will demonstrate your experience and knowledge of investments.

### Assets

Means Mutual Funds and ETIs.

### Associates

Means a company within the group of companies of which the Financial Adviser Firm is a part.

### “At best” Basis

The ability to buy Assets at the best price currently available in the market.

### Available Cash

As described in section 1.9 of these Terms & Conditions.

### BACS

Payment Schemes Limited (BACS), formerly known as Bankers' Automated Clearing Services, is the organisation with responsibility for the schemes behind the clearing and settlement of UK automated payment methods.

### Banking Partners

The general term given to the bank or building society we use to support our banking requirements.

### Business Day

A day in which (UK) Financial markets are open for trading.

### Capped Drawdown

A method of taking benefits from your pension, whereby your Assets remain invested and your pension income (subject to certain limits) comes from your invested funds or Cashing in some Assets within your pension.

## **Cash**

Means both Available Cash and Committed Cash.

## **Cash Transfer**

The process of moving money to or from a Scottish Widows Platform Account as a Cash value and not a movement of Assets.

## **CHAPS**

Clearing House Automated Payment System (CHAPS) is an electronic bank-to-bank technology that enables same-day payments to be made within the UK, provided the Instruction is received before 4.25pm.

## **Charges**

Means Platform Charges, Adviser Charges, Discretionary Investment Manager Model Portfolio Charges and any other applicable Charges that may be incurred by the Client from time to time.

## **Charges Information Document**

Means the document which can be found in your Document Library and which details the Charges applied to your Account agreed between you, us, your Financial Adviser and Discretionary Investment Manager (if applicable) as may be amended from time to time.

## **Child Trust Fund**

Is a long-term savings or investment account established in accordance with HMRC rules for children in the United Kingdom.

## **Client**

Means you as the holder of an Account.

## **Client Money Rules**

Means CASS 7 rules which form part of the FCA Rules.

## **Committed Cash**

Has the meaning described in section 1.9 of these Terms & Conditions.

## **Complex Assets**

Means investment types that carry a higher level of risk than other securities, generally because of the way in which they are structured. These instruments require greater experience and knowledge of investments to fully understand the risks involved. Products such as warrants, securitised derivatives, convertibles, structured products and other specialist instruments fall into this category.

## **Confirmation Schedule**

Means the schedule we send you which contains your Account information, which confirms we have accepted the application made on your behalf by your financial Adviser to open an Account with us.

## **Continuing ISA Account**

Is the designation given to an ISA Account held by a Client after that Client's death.

## **Contractual Settlement**

Means the expected date on which the buyer and the seller of an Asset agree to deliver cash in exchange for the Asset.

## **Corporate Action**

Means any event that affects the share capital, or unit capital, or holding structure of Investments and will be either a Voluntary Corporate Action or a Mandatory Corporate Action as determined by us.

## **CREST Account**

The account we hold on CREST in the name of Embark Investment Services Nominee Limited.

## **Custodian**

Means custodial Financial institution regulated by the FCA or comparable regulatory authority that holds customer Assets and Cash for safekeeping to minimise the risk of their loss to you. This can be in either electronic or physical form.

## **Custody Rules**

Means CASS 6 rules which form part of the FCA Rules.

## **Data Protection Legislation**

Means the Data Protection Act 2018 as amended, the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), and any code of practice or guidance published by the UK Information Commissioner's Office.

## **Dealing Services**

A Service offered by a stockbroker in which they make Financial Trades for their customers but do not offer advice.

## **Discretionary Investment Manager**

A company authorised by the FCA to buy and sell Investments within your Model Portfolio.

## **Discretionary Investment Manager Model Portfolio Charges**

These are the fees that are applied to the Investments within a Model Portfolio to pay for the Discretionary Investment Manager's Services, the payment of which is facilitated by us pursuant to section 1.12.

## **Disinvestment Strategy**

These are the rules and processes that are put in place by us that allow us to raise Available Cash in accordance with section 1.13.

## **Dividend**

A distribution of profits made by a company to its shareholders, usually half-yearly.

### **Document Library**

A secure area in your online Account where you and your Financial Adviser can access certain documents and communications, we may send to you.

### **Drawdown Pension**

Means a pension providing Income Withdrawal in retirement in the form of Flexi-Access Drawdown or Capped Drawdown.

### **Drip-Feed Drawdown**

A way of providing a regular payment, which can contain PCLS and taxable income.

### **Exchange Traded Instruments (ETIs)**

Means shares or bonds in a company, government bonds, investment trusts and exchange traded funds which are bought and sold on a UK secondary market.

### **Expression of Wishes Form**

Means the form you complete as a Personal Pension Account holder expressing to the trustees of the Personal Pension who you wish the trustees to pay death benefits to on your death.

### **Faster Payment**

A UK banking initiative to reduce payment times between different bank customer accounts to typically a few hours.

### **FCA or Financial Conduct Authority**

The FCA is responsible for regulating the standards of conduct in retail and wholesale Financial markets, and for supervising the infrastructure that supports those markets in the UK.

### **FCA Rules**

Mean the rules contained in the FCA Handbook published by the FCA which sets out the rules and guidance pursuant to which FCA regulated business must adhere.

### **Financial Adviser**

An appropriately FCA authorised Adviser who provides financial advice to you, and who is an employee or contractor of a Financial Adviser Firm or whose authorisation to provide advice exists in accordance with the authorisations granted by the Financial Adviser Firm itself.

### **Financial Adviser Firm**

The Financial Adviser Firm or network that is authorised and regulated by the FCA or PRA or is an appointed representative of such a Firm or network.

### **Financial Services Compensation Scheme (FSCS)**

The Financial Services Compensation Scheme is an independent body, established under the Financial Services and Markets Act 2000 as the UK's statutory compensation fund of last resort, for customers of Financial Services Firms authorised by the FCA.

### **Flexi-Access Drawdown**

Allows you to use your pension pot to provide a retirement income whereby your Assets remain invested and your income comes from your invested funds or Cashing in some Assets as needed.

### **Fund Manager**

The management company that creates and manages Mutual Funds.

### **Group Company**

Means any company within the group of companies of which Lloyds Banking Group Limited is the parent.

### **Identity Verification Check**

Is a system used by us to verify the identity of Clients.

### **Income Payment Strategy**

A set of rules to be applied for selling Assets in your Accounts for the benefit of creating Available Cash to allow an income withdrawal to be made from the Accounts.

### **Income Withdrawal**

Means the income withdrawal options as described in the Finance Act 2004.

### **Initial Charges**

Fees that are levied against an Account at the outset of a contract for the initial Services or administration Services provided.

### **Instructions**

Means all Instructions received from you, your Financial Adviser, or Discretionary Investment Manager relating to an Account that are not Trade Instructions.

### **Investment**

Means an Asset or Cash held or to be held in your Account.

### **Investor Number**

Means the Client identification number that is issued by us and stated on the Confirmation Schedule and which is specific to you.

### **ISA Regulations**

Means the HMRC published Guidance Notes for ISA Managers Guidance and supporting legislation as may be updated from time to time that apply to both ISA and JISA Products.

### **Joint Holder**

Means a client who holds an Account with another person or persons.

### **Junior**

Means a person under 18 years old.

## Key Features Document

A Key Features Document is a document which Financial companies are obliged to provide you when you buy certain regulated products such as a Scottish Widows ISA or a Scottish Widows Personal Pension. It sets out the risks and benefits to you of purchasing or investing in the Product as well as important information on how it works.

## Lien

A right to keep possession of Assets belonging to the Client until any Charges or other amounts owing by the Client have been paid.

## Lump Sum Allowance

A limit on the tax-free payments that can be made from all of an individual's pension arrangements as Pension Commencement Lump Sums (PCLSs) and/or as the tax-free part of Uncrystallised Funds Pension Lump Sums (UFPLSs).

## Lump Sum Death Benefit Allowance

A limit on the total payments that can be paid tax-free from all of an individual's pensions arrangements.

## Mandatory Corporate Action

Has the meaning described in section 1.10.6.

## Member

Means the member of a Pension Trust.

## Mid-Price Basis

The average price between the best offer price of the sellers of the Asset and the best bid price of the buyers of the Asset based on information provided to us by trusted Third Parties.

## Model Portfolio

A selected group of Investments that are managed by a Regulated Discretionary Investment Manager to achieve a specific financial goal or objective.

## Money Purchase Annual Allowance

A reduced Annual Allowance for tax relief on defined contribution pension savings that applies if you have taken money out of any pension pot for example, as an Uncrystallised Funds Pension Lump Sum, or once you have started taking income from Flexi-Access Drawdown or a flexible Annuity (the income from which could rise or fall).

## Mutual Funds

Has the meaning described in clause 1.9.

## Normal Minimum Pension Age

The minimum age you must normally be before you can start to take money from your pension. It is set by the government and is currently 55 years old but will rise to 57 on the 6th April 2028. You may be able to take benefits before this if you have a scheme protected retirement age or you transferred in benefits from a previous scheme where the retirement age was part of the scheme rules.

## Online Services

The Services we provide you with the ability to view Account information securely online, such as current values, Asset holdings and personal details.

## Open Market Option

Allows someone approaching retirement to 'shop around' for several options to convert their pension pot or savings into a source of income, rather than simply taking the default option offered by their pension provider.

## Pension Commencement Lump Sum

An amount you can take at retirement free of tax. It's usually up to a quarter of your pension fund.

## Pensions Relief At Source

A way of giving basic rate tax relief on contributions a member makes to their pension scheme.

## Pension Trust

Means a pension trust scheme that is registered under Part 4 of the Finance Act 2004 and provided by a Third Party pension provider that is authorised and regulated to do so by the FCA.

## Permitted Investments

Means an Investment that a) is classified as 'Standard' when applying IPRU-INV 5.9.1 of the FCA Handbook, that b) can be administered by Scottish Widows Platform and FNZ on the Platform, and c) that Scottish Widows Platform has decided at its sole discretion, to make available to Scottish Widows Platform Clients in one or more Products on the Platform.

## Platform

The technology used by a provider to create a range of Accounts into which a wide range of Investments can be held. The platform provider is the Firm that administers the platform.

## Platform Charges

Means those Charges payable to us pursuant to section 1.12.1.

## Pooled Account

A bank account in which Cash deposits for all Scottish Widows Platform Account holders are received and held as part of a 'pool'.

## Power of Attorney

Means a written document, acceptable to us, which grants a person the legal authority to act for another person in specified or all legal or Financial matters.

## Product

Means one of the Scottish Widows Personal Pension, the Scottish Widows Junior Personal Pension, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows GIA and the Scottish Widows TPIA.

## Professional Trustee

Means the corporate trustee of a Pension Scheme.

### **Qualifying Recognised Overseas Pension Scheme**

A Qualifying Recognised Overseas Pension Scheme is an overseas pension Scheme that meets certain requirements set by HMRC and can receive transfers of UK pension benefits without incurring an Unauthorised Payment and Scheme Sanction Charge.

### **“Quote and deal” Basis**

An Instruction to buy ETIs where we inform you, during the opening periods of the relevant market, of a price verified by the Stockbroker Partner before the order is placed.

### **Registered Contact**

A person who will give us or their Financial Adviser Instructions or Trade Instructions with respect to the administration of the Scottish Widows JISA. This person must be accepted by us being over the age of 18 and be the parent or person with parental responsibility for the child or a local authority if the child is in care or be the child if the child meets the relevant requirements in the ISA Regulations.

### **Re-Registering**

The act of transferring the ownership of that Asset from one company to another in its current form without the need to convert the Asset to Cash.

### **Retail Client**

A person receiving regulated Services and who is not a Professional Client or Eligible Counterparty determined in accordance with COBS 3 of the FCA Rules.

### **Scheme Sanction Charge**

A tax charge levied on registered pension schemes that make Unauthorised Payments or other Scheme chargeable payments.

### **Scottish Widows Account Charges Guide**

Means our documented guide as may be amended from time to time detailing our Charges for the use of the Scottish Widows Platform.

### **Scottish Widows Website**

Means our Scottish Widows Platform website at [platform.scottishwidows.co.uk](https://platform.scottishwidows.co.uk) or [scottishwidows-platform.com](https://scottishwidows-platform.com) and through which access to Client Accounts can be obtained.

### **Self-Service**

Means a client authorised by us or their Financial Adviser to provide their own instructions through the Online Services in respect to the Account.

### **Settlement**

Means the point at which an Asset is delivered to the buyer by the seller, and the buyer delivers the purchase value to the seller. This can happen in one of two ways: (a) Actual Settlement; or (b) Contractual Settlement.

### **Services**

Means the services provided by your Financial Adviser Firm, its Associates, your Discretionary Investment Manager or ourselves as the case may be.

### **Stockbroker Partner**

The name given to the stockbroker that we use to buy and sell securities in the secondary market on behalf of our Clients.

### **Terms & Conditions**

Has the meaning given in section 1.1.

### **Terms of Use**

The rules that apply to your use of our technology and/ or Services and that form an integral part of our online Service and our Terms & Conditions with us.

### **Third Party Bond Provider**

Provider of an insured bond who has chosen to offer access to a Scottish Widows TPIA within its own insured product.

### **Third Party Provider**

An external provider that has chosen to offer access to a Scottish Widows TPIA within their own product.

### **Third Party SIPP Provider**

Provider of a Self Invested Personal Pension who has chosen to offer access to a Scottish Widows TPIA within its own product.

### **Trade Instruction**

Means an Instruction received from you, your Financial Adviser or Discretionary Investment Manager to buy or sell Investments relating to an Account.

### **Trading Terms**

The rules a Fund Manager applies to Mutual Funds or the rules applied by a relevant stock exchange.

### **Transfer Authority**

This is the agreement given by you to move Assets or Cash from one investment Product to another.

### **Trustee**

A person appointed as Trustee of a trust.

### **Trusted Third Party**

A third party we have entered into an agreement with (which, if applicable, complies with FCA outsourcing rules) for the provision of Services or information from that third party to us or us to that third party or to Clients either together or individually.

### **Unauthorised Payment**

Payments from a Scottish Widows Personal Pension that are not defined as authorised payments under the Finance Act 2004.

**Uncrystallised Funds Pension Lump Sum**

A type of withdrawal from a portion of a pension pot that has not already been designated to provide Flexi-Access Drawdown. For each withdrawal normally the first 25% (quarter) will be tax-free and the remaining portion will be taxed at your appropriate tax rate.

**Voluntary Corporate Action**

An event initiated by the board of directors of a company or manager of a fund that affects all shareholders or unitholders and requires an action by those shareholders or unitholders to be taken, and where we have decided to notify Financial Advisers and Discretionary Investment Managers of such an event.



0330 024 2345



[service@scottishwidowsplatform.co.uk](mailto:service@scottishwidowsplatform.co.uk)



[scottishwidows.co.uk/platform](https://scottishwidows.co.uk/platform)

### Keeping in touch

Please tell your adviser if you change your postal address, telephone number or email address.

If you no longer have an adviser, please contact us directly to ensure Scottish Widows Platform holds your up-to-date contact details.

It's especially important that we are able to send you information by email.

Digital communication is fast, secure, environmentally friendly and costs less than print.

Please let your adviser or us know if you have any problem receiving or reading digital communications like email or on-screen literature.

**SCOTTISH  WIDOWS**