



For customers

# Terms and conditions

Effective as at 18 July 2023

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# Welcome to Retiready

In this booklet, you will find the Retiready Terms and conditions and the Retiready Insured Fund Policy, which along with **your**:

- application(s);
- declaration(s); and
- first **Contract note**, or for Retiready Pension **Confirmation of investment – contract note**, that **we** send you.

form your contract with **us** for the Retiready service.

Retiready provides you with a range of product wrappers, and investment choices within your product wrappers.

This booklet also includes the Aegon SIPP Scheme basic scheme information for a Retiready Pension.

This booklet is made up of the following parts:

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This part details the Terms and conditions that apply to all Retiready product wrappers, provided by Aegon Investment Solutions Ltd and Scottish Equitable plc.

## Part 2 – Retiready Insured Funds Policy 46-59

This part details the conditions for the policy of insurance which apply where you open a Retiready Pension and invest in insured funds, provided by Scottish Equitable plc.

## Part 3 – Aegon SIPP Scheme – basic scheme information for a Retiready Pension 60-65

We give you basic scheme information in connection with the Retiready Pension under the Aegon SIPP Scheme. This gives you information about the scheme under which your Retiready Pension is provided by Scottish Equitable plc.

## Part 1

# Retiready Terms and conditions

These are the Terms and conditions that apply to the Retiready service product wrappers, provided by Aegon Investment Solutions Ltd and Scottish Equitable plc.

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## 1 Introduction

### 1.1 Purpose of this document

By opening a **product wrapper**, **you** have applied for use of the Retiready service provided by **us**. This booklet contains the **Retiready Terms and conditions** for the use of the **Service** for each **product wrapper**. In addition to these Terms and conditions, **you** should also read other documents such as:

- the key features;
- your illustration;
- Key investor information document(s);
- Simplified prospectus document;
- Aegon UK Retail Order Execution Policy;
- Confirmation of application;
- for Retiready Pension, Confirmation of investment – contract note; and
- for Retiready ISA, contract note.

Words in **bold** are defined terms that are explained in the ‘Definitions’ section. References to Retiready documents are in **bold**, and these, as well as any other documents are available through **the Service**.

### 1.2 The role of Retiready

We provide **the Service** to **you**. This is an online service that is used to manage **product wrappers**. Aegon Investment Solutions Ltd provides the Retiready Individual Savings Account (ISA). Scottish Equitable plc provides the **Retiready Pension**.

Aegon reserves the right to change the provider of your **ISA** to another suitably regulated Aegon ISA Manager. You agree that we have this right provided that we give **you** sufficient notification and comply with the requirements of the **ISA Regulations** for transfers and bulk transfers.

You also agree that any direct debits **you** have in place with the original product provider can be transferred to the new provider.

We do not give any advice in relation to **your product wrappers**, using **the Service**, or any **investments** that **you** hold in **your Product Wrappers**. The fact that particular **product wrappers**, **investments**, investment planning tools, or any other features are

made available does not constitute advice or imply that they are suitable for **you**. If **you** are not sure whether Retiready is right for **you**, **you** should take financial advice. There may be a cost for this. If **you** need to find a financial adviser you can do this online at <https://maps.org.uk/moneyhelper/>

## 2 Definitions

General items to note

Where **we** use the masculine form of a word, it also includes the feminine. The opposite also applies.

Words in the singular include the plural. The opposite also applies.

Where **we** refer to a piece of legislation, **we** also refer to any amendment or re-enactment of the legislation. **We** also refer to any regulations made under the legislation, and that includes any corresponding provisions in force in Northern Ireland.

All references to a clause of these **Terms and conditions** are references to a clause in the general section unless stated otherwise.

**Accidental death** – means **your** death, within the 72 hours following an accidental bodily injury, resulting solely and independently from causes not related to or contributed to by any illness, disease or physical disorder that **you** were aware of at the **start date**.

**Accidental death benefit** – means the lump sum payable on **your** death as set out in clause 13.4 of section B. No accidental death benefit will be payable in respect of a **Retiready Pension** with a start date of 20 March 2018 or later.

**Additional permitted subscription** – means a type of subscription available to an individual with an **additional permitted subscription allowance**.

**Additional permitted subscription allowance** – means an additional allowance over and above the normal ISA subscription limit available to the surviving spouse or registered civil partner of an ISA investor where certain

other conditions, are met. The amount of this additional allowance depends on when the surviving spouse or registered civil partner starts to use the additional allowance as set out in the **ISA Regulations**.

Where the surviving spouse or registered civil partner starts to use the allowance during the period that tax benefits still apply to the ISA, the additional allowance will be based on the value of the deceased investor's ISA holdings with an ISA manager as at the date of their death. Where the surviving spouse or registered civil partner starts to use the additional allowance after the end of the period that the tax benefits apply, the additional allowance will be the higher of the value of the ISA at the date of the ISA investor's death, or the point the ISA ceased to be a continuing account of a deceased investor if the investor died on or after 6 April 2018, and the value of the ISA at the end of the period that the tax benefits apply to the account. If the deceased investor held ISAs with more than one ISA manager as at the date of their death, provided all the necessary conditions are met, the surviving spouse or registered civil partner will have one **additional permitted subscription allowance** in relation to each of those ISA managers.

**Aegon** means Scottish Equitable plc.

**Aegon UK Retail Order Execution Policy** – means the policy maintained by **Aegon**, which describes the way in which **we** will manage and handle orders to ensure the fair treatment of all clients. You can find a copy of the policy on our website.

**Aggregated trading** – means the trading of certain **investments**, where all instructions at a certain time from all **clients** using **the Service** are added together into a single trade for a particular **investment**. This is more fully described in 7.5.

**Annual allowance** – means the limit, set by HMRC, of tax advantaged contributions or increase in value of a person's pension rights in a pension input period. For this purpose, all of the person's pension arrangements are taken into account. **Contributions** or increases

in pension rights in excess of this allowance will give rise to a tax charge. A reduced money purchase annual allowance may apply to **you** for certain purposes in certain circumstances.

**Benefit crystallisation event** – means an event or occurrence at which **we** must test **your Retiready Pension** benefits against the **lifetime allowance**. The events and occurrences on which this must happen are set out in legislation.

The amount which must be tested against **your lifetime allowance** is also determined by legislation.

**Block transfer** – means the transfer in a single transaction of all the **investments** held under the pension scheme from which the transfer is made, which relate to at least two members of that pension scheme and which meets other conditions which are set out in legislation.

**Business day** – means any full day on which banks, investment managers and the London Stock Exchange (LSE) are open for business.

**Cash facility** – means the untraded cash account that is set up for and within each **product wrapper** for the movement of money to and from, and within, a **product wrapper**. This is more fully described in clauses 5.3 and 5.4.

**Client, you, your** – means the individual, or other entity in whose name the **client profile** is held.

**Client money rules** – means the FCA rules regarding client money and assets, and are detailed in the Client Assets sourcebook, part of the FCA Handbook.

**Client profile** – means an account that details your **product wrappers**.

**Confirmation of application** – means the document **we** sent to **you** that records the details **we** used to set up **your product wrapper** and the terms of the declarations made by **you**.

**Contribution** – means any payment by **you** into a **product wrapper** and includes subscriptions to **your ISA**. Contribution does not include a transfer into a **product wrapper**.

**Crystallise** – is what happens to your Retiready Pension on certain **benefit crystallisation events**. It can apply to different parts of your Retiready Pension at different times. This is more fully described in clause 8 of section B.

**Crystallised** – means that part of your Retiready Pension that has been through a **benefit crystallisation event**, which has resulted in your Retiready pension crystallising.

**Dealing point** – means the point at which all deals for a particular **investment** are aggregated by us. Our dealing point will be in advance of the **investment provider's/fund manager's** valuation point to make sure all transactions are completed. The **investment's** valuation point is set by the **investment provider/fund manager** and is detailed in the **investment's** key fund documentation.

**Dependant** – means in relation to the **scheme** a dependant as defined in the **rules** and paragraph 15 of Schedule 28 of the Finance Act 2004 which at the date of issue of these Terms and conditions means any of the following:

- a a person who was married to, or a registered civil partner of the **member** at the date of the **member's** death;
- b if the **rules** so provide – and they do so provide but only for the purposes of a dependant's annuity and subject to such further conditions as the scheme administrator of the **scheme** may require from time to time either individually or as a matter of policy – a person who was married to, or a registered civil partner of the **member** when the **member** first became entitled to a pension under the **scheme**;
- c a dependent child (as defined in the **rules**); or
- d an other dependant (as defined in the **rules**).

**Eligible Aegon pension products** – means any eligible pension contract, within the **Aegon** Group, that you are entitled to the benefits of. You can find the list of eligible Aegon pension products on the Service.

**Financial Conduct Authority/FCA** – means

the Financial Conduct Authority and any replacement of it.

**Forced disinvestment** – means that we will sell **investments** without your instruction, for example in order to maintain sufficient cash within your **cash facility** or to meet payments out.

**Force majeure events** – means any of the following and their effects:

riot, civil unrest, commotion or rebellion, war or civil war (whether or not declared) or armed conflict, invasion and acts of foreign enemies, blockades, embargoes (including as to trade), any act (or credible threat) of terrorism, acts of government, local authority or regulatory body, explosion or fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe, any nuclear, chemical or biological contamination or any strikes, lock-outs or other industrial disputes (other than to the extent involving the workforce or other personnel of ours).

In each case to the extent that such event is beyond the reasonable control of the party affected and has materially affected the ability of that party relying on the force majeure event to perform its obligations in accordance with these **Terms and conditions**. It always excludes any such event insofar as it arises from or is attributable to the wilful act, omission or negligence of that party or the failure on their part to take reasonable precautions to prevent such force majeure event or its impact.

**Fund manager** – means the individual responsible for making decisions related to a portfolio of investments, in accordance with the stated goals of the fund.

**HMRC** – means HM Revenue & Customs and any replacement of it.

**Indemnify** – means being responsible to compensate for any loss, expenses or damage or one or more of these, caused and to provide financial reimbursement for this.

**Investments** – means the range of allowable investments that we make available for you to invest in through your **product wrappers** and includes cash in the **cash facility**.

**Investments list** – means the list of all **investments** available through **the Service** and which is set out on **the Service**.

**Investment providers** – means providers of the **investments** made available through **the Service**.

**ISA** – means the stocks and shares Individual Savings Account as regulated by **HMRC** and provided by **us** and is more fully described in Section A.

**ISA Regulations** – means the Individual Savings Account Regulations 1998 (SI 1998 No.1870).

**Lifetime allowance** – means the overall limit on the value of tax-privileged savings that any one individual can have under all of their **registered pension schemes** throughout their life. Benefits paid in excess of the allowance may be liable to a tax charge as described in section 214 of the Finance Act 2004. For the avoidance of doubt, this includes any personal lifetime allowance under the Finance Act 2004.

**Money Laundering Regulations** - means the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended by the The Money Laundering and Terrorist Financing (Amendment) Regulations 2019.

**Nominated bank account** – means the bank or building society account in **your** name that **you** have nominated to use on **the Service** for a particular purpose. This must be a UK bank or building society account.

**Nominee Company** – means the company or companies used by **us** to hold **your investments** in safe custody. Unless stated otherwise in these **Terms and conditions** or in relation to any particular **investment**, **your investments** will be registered in the name of one of **our nominee companies** relevant to the **product wrapper(s)** **you** hold. These are more fully described in 7.1.

**Non-UCITS retail scheme** – means an investment company with variable capital or an authorised unit trust, which is neither a **UCITS** or a qualified investor scheme (which is an

investment company with variable capital or an authorised unit trust designated as such by its constitution).

**Pension commencement lump sum** – means the lump sum **you** can take from a part of **your Retiready Pension** when **you** first start taking pension benefits from that part of **your Retiready Pension**. If it satisfies certain conditions, this lump sum can be paid free of income tax. The conditions are set out in Paragraphs 1 to 3A of Schedule 29 of the Finance Act 2004.

**Permitted period** – means the period, as set out in the **ISA Regulations** during which **additional permitted allowance subscriptions** can be made to the **ISA**. Where the **additional permitted allowance subscription** is in the form of non-cash assets (described further in 7.2 of section A), the period is 180 days from when the **investments** are distributed to **you** from **your** deceased spouse's or registered civil partner's estate. Where the **additional permitted allowance subscription** is in the form of cash, the period runs from the date of **your** deceased spouse's or registered civil partner's death and ends on whichever is the later of the day three years after the start date and 180 days after the administration of **your** deceased spouse's or registered civil partner's estate is complete.

**Prudential Regulation Authority/PRA** – means the Prudential Regulation Authority and any replacement of it.

**Product wrapper** – means a specific product provided by **us**, being an **ISA** or a **Retiready Pension**, within which **you** can buy, sell and hold **investments** and cash and to which these **Terms and conditions** apply. **You** can receive some form of tax relief, depending on your personal circumstances and the type of **product wrapper** being chosen. **You** can have more than one **Retiready product wrapper**, of each type.

**QROPS** – means a Qualifying Recognised Overseas Pension Scheme, as defined in the rules.

**Recognised UCITS** – a UCITS recognised by the FCA in accordance with the Financial Services and Markets Act 2000.

**Registered pension scheme** – is as defined in the rules.

**Regular contribution** – means a contribution, paid by **you**, on a regular basis. This payment will be into the **cash facility** of a **product wrapper** using a **direct debit instruction**. Subject to clause 5.3, **we** will then invest the payment in line with the investment instructions **you** give **us** in accordance with clause 7.3.

**Regular withdrawal** – means regular periodic withdrawal from funds from **your ISA**. **Regular withdrawals** may be made monthly, quarterly or yearly.

**Relevant UK earnings** – means earnings as defined in Section 189 of the Finance Act 2004. It includes:

- employment income such as salary, wages, bonus, overtime and commission providing it is chargeable to tax;
- income derived from the carrying on or exercise of a trade, profession or vocation that is chargeable to tax;
- income arising from patent rights and treated as earned income; and
- general earnings from an overseas Crown employment which are subject to tax.

Where relevant UK earnings are not taxable in the United Kingdom due to a double taxation agreement, those earnings are not regarded as chargeable to income tax and so will not count towards the annual limit for tax relief on pension savings.

**Relevant UK individual** – is defined in section 189 of the Finance Act 2004, with further details set out in clause 2.3 of section B.

**Retiready, we, us, our, ourselves** – means Aegon Investment Solutions Limited, in relation to the **ISA** and in relation to the **Retiready Pension** means Scottish Equitable plc.

**Retiready Insured Fund** means the Scottish Equitable insured funds available to **your Retiready Pension** as described in the Retiready Insured Funds Policy in Part 2 of this booklet.

**Retiready investments list** – means the list of investments that **we** make available through the Service.

**Retiready Pension** – means the pension provided by **us**.

**Retirement age** – means that date specified in line with clause 1.5 of section B.

**Retirement benefits** – means one or both of a **pension commencement lump sum** and any annuity purchased with **your Retiready Pension**. This is more fully described in section B.

**Rules** – means the trust deed and rules that govern the **scheme**, as amended from time to time.

**Scheme** – means the Aegon Self Invested Personal Pension Scheme established by a Declaration of Trust executed by Scottish Equitable plc on 30 September 2011.

**Settlement** – means the process of selling or transferring ownership of **investments**.

**Settlement proceeds** – means the cash or other **investments** received as a result of the sale or transfer of ownership of **investments**.

**Single contribution** – means a ‘one-off’ **contribution**, paid by **you**, into the **cash facility** of a **product wrapper**. Subject to clause 5.3, **we** will then invest the payment in line with the investment instructions **you** give **us** in accordance with clause 7.3.

**Start date** – means the date that **you** took out **your Retiready Pension** and is the date stated on **your Confirmation of application**.

**The Service** – means the Retiready Service **we** provide for **you** to manage **your investments** within **your product wrappers**; it may also include other services that **we** provide within, or related to, **your product wrappers**.

**UCITS** – means undertakings for collective investment in transferable securities.

**UFPLS** – means an uncrystallised funds pension lump sum as detailed in paragraph 4A of schedule 29 to the Finance Act 2004.

**UK tax resident** – means a person considered to be a UK tax resident as defined by HMRC, as available on its website.

**UK UCITS** – means a collective investment scheme authorised under section 31 of the Financial Services and Markets Act 2000 that complies with the requirements to be a 'UCITS scheme' as set out by the **FCA**.

**Uncrystallised** – means the part of **your Retiready Pension** that has not been crystallised through a **benefit crystallisation event**.

**Uncrystallised funds lump sum death benefit** – means any lump sum that is payable from **your Retiready Pension** on **your** death from benefits that are **uncrystallised**.

**US** – means all states, territories or possessions of the United States of America and the District of Columbia.

**US Person** – means

- a **US citizen**;
- a **US national** (including dual nationals);
- a **Green card holder**;
- a **US taxpayer**; and
- a **US resident**.

### 3 General information

#### 3.1 Client classification

Our policy is to treat all **clients** as retail clients in line with the **rules** of the **FCA**. However, **you** may be treated as a professional client or an eligible counterparty by third parties. In such circumstances **you** may not be eligible for compensation as described in clause 7.1.8, or have access to the Financial Ombudsman Service and the Pension Ombudsman as described in clause 9.4.3 and 9.4.4 respectively.

We do not offer **you** the option to select a different client classification.

However, please note that in some circumstances, particularly with regards to **investments**, **investment providers** may deem **Retiready** to be a professional client when buying or selling **investments** on **your** behalf. Therefore, the level of protection available to **you** may be less than had **you** purchased the **investment** directly from the **investment provider**.

#### 3.2 Residency

**We** will only accept business from individuals who are habitually resident in the UK. **We** cannot accept an application for business from any **US Person**.

**You** must tell **us** immediately if **you** become a **US Person** after taking out a **product wrapper**. We need to know if **you** are a **US Person** because of the warranties and declarations **we** need to give to **investment providers** to be able to make their assets available to **you** on the service.

**You** must notify **us** immediately if **you** become a **US Person** or of any change in **your** residency, tax status, citizenship or domicile.

On becoming a **US Person** or if **you** change **your** residency, tax status, citizenship or domicile **we** reserve the right to suspend certain transactions. This might limit **your** ability to make additional **contributions**, buy/sell **investments** and make withdrawals.

**We** may be required to dispose of **investments** **you** hold due to **you** becoming a **US Person** or a change in **your** residence, tax status, citizenship or domicile and **we** reserve the right to do this without reference to **you**.

**You** can find more information about how taxation, residency and related regulations may apply to **your** circumstances on **the Service**.

**We** reserve the right to terminate **your Product Wrapper** under clause 11, following written notice given by **us**, if **you** no longer reside in the UK or **we** discover that **you** did not tell **us** of this change. Where this is the case, **we** will give three months' written notice to **you** before termination.

#### 4 Overview of services

**We** are providing **the Service** as a means for **you** to manage **your investments** within the **product wrappers** that **you** have taken out. The **product wrappers** that are available are:

- **Retiready ISA** – a stocks and shares individual savings account which is provided under the Income Tax (Trading and Other Income) Act 2005, the Taxation of Chargeable Gains Act

1992 and the **ISA Regulations**. This is more fully described in section A.

- **Retiready Pension** – a personal pension provided by **us**. This is more fully described in section B.

The 'general' section of these **Terms and conditions** detail those general parts of **the Service** that apply to any **product wrapper** that **you** have. There are specific requirements for each **product wrapper** and these are separately detailed in the section relevant to that **product wrapper**. The specific requirements for a **product wrapper** will override the general section for **the Service** if they conflict.

## 5 Opening a product wrapper

To use **the Service**, you must open at least one of the available **product wrappers**. You may open more **product wrappers** in the future, subject to the **Terms and conditions** in force at the time.

In making **your application**, **you** agree that **you** will be responsible for any losses and/or expenses **we** incur that are due to any untrue, misleading or inaccurate information given by **you**, or on **your behalf**, either now or in the future in relation to that application and the **product wrapper** that **you** are applying for.

### 5.1 Methods of application

To open a **product wrapper**, the relevant application must be completed online using **the Service**, by **you**.

We will open a **product wrapper** for **you** when **we** have a fully completed application and any **contribution** or transfer will be applied to this **product wrapper** as instructed. We can ask **you** to complete an additional form for certain kinds of application such as a transfer to **your Retiready Pension**. We will tell **you** where this is the case.

We will return to **you** any **ISA contribution** which exceeds the allowable limits.

### 5.2 Website access

Once **you** have a **product wrapper** with **us**, **you** will have direct access to **the Service**.

**Your** unique username and password will

enable **you** to view and transact online.

- 5.2.1 **You** are responsible for maintaining the security of **your client profile**.  
**You** must not provide **your** log-in details to any third parties.
- 5.2.2 **You** agree to use **our** website in line with the website **Terms of use** and **Privacy** policy, which **you** can obtain from **the Service**.
- 5.2.3 If **you** believe or know that the security of **your** username and password has been compromised, **you** must tell **us** immediately.
- 5.2.4 **You** can access **our** website from **your** own or public access points, but **you** are responsible for making sure any access points **you** use are secure.

### 5.3 Cash facility

- 5.3.1 Each **product wrapper** will have its own separate **cash facility**. All contributions and cash transfers received will be placed into the **cash facility** within the specified **product wrapper**. We will then invest the contribution and cash transfer, less the value to be retained in the **cash facility** under this clause 5.3 in the **investment** chosen by **you** in accordance with clause 7.3.

We cannot hold **your** money as a deposit as **we** are not a bank or building society. Therefore **we** will deposit it with HSBC Bank plc, who is the deposit taker for the **product wrappers**. We reserve the right to change **our** banking provider at any time, and **we** will tell **you** if **we** do this. Money held within the **ISA** is subject to the **client money rules** and **we** hold this money in accordance with the **client money rules**. The **Retiready Pension** is not subject to the **client money rules** as it is a contract of insurance and is governed by a different legal and regulatory regime.

- 5.3.2 HSBC Bank plc is authorised by the Prudential Regulation Authority and

- regulated by the **Financial Conduct Authority** and the **Prudential Regulation Authority**. Its registered office is: 8 Canada Square, London E14 5HQ.
- 5.3.3 HSBC Bank plc is covered by the Financial Services Compensation Scheme. If this bank enters insolvency then **you** will be an ordinary creditor of the bank. **You** may be eligible to claim compensation from the Financial Services Compensation Scheme (FSCS). In respect of bank deposits, compensation under the FSCS is currently limited. The current limits can be obtained from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)  
Any limits will apply to **your** total deposits within the HSBC group. This means that any other holdings that **you** have with HSBC will be included in calculating such limits.
- 5.3.4 **We** are not liable for any acts, errors, omissions, defaults or frauds of the bank referred to in this clause 5.3.
- 5.3.5 Only cleared funds will be credited to **your cash facility**, and dealing instructions will only be carried out when there are sufficient cleared funds in the relevant **cash facility**, other than in the circumstances described in clause 7.9 below.
- 5.3.6 Where relevant, credits to the **cash facility** will be:
- i subscriptions, **contributions** and transfers in before investment;
  - ii **income from investments**;
  - iii interest due on cash held within the **product wrapper**
  - iv proceeds from the sale of **investments**; and
  - v pension relief at source, which **we** prefund.
- 5.3.7 Payments from the **cash facility** will be:
- i withdrawals;
  - ii **investment settlements**;
- iii **Retiready** charges (see clause 10);
  - iv closures or transfers out;
  - v any taxes relating to the **product wrapper**;
  - vi other payments relating to the **product wrapper** and which are due to a third party; and
  - vii a charge taken by **us** where HSBC Bank plc make a charge on **your cash facility**, as described in clause 5.3.8.
- 5.3.8 Only **your cash** held within the **cash facility** of **your product wrapper** will accrue interest at a daily rate on a daily basis, cash that is held in any other account within **your product wrapper** that is used to move money to, from and within **your product wrapper** will not earn any interest for **you**. We will calculate and apply your interest owed within 10 **business days** of us receiving payment into our corporate account. **We** will state the method of calculation for the rate of interest on **our** website. **We** reserve the right to amend the rate of interest from time to time and will inform **you** of any change by updating the new rate of interest on **our** website. **You** should check **our** website regularly. In the event that a negative interest rate figure applies, **our** bank may charge us for depositing your money with them. If this happens **we** will deduct this charge from **your cash facility**. **We** will tell **you** if this charge is going to be deducted from **your cash facility**. You can find the current interest rate on the Service.
- 5.3.9 A minimum cash balance of 0.25% of the overall value of the **product wrapper** must be maintained in the **cash facility** of each **product wrapper** at all times.
- 5.3.10 When **you** make a **contribution** or transfer to **your product wrapper**, 0.25%

of the value of the **contribution** will be retained in **your cash facility**.

- 5.3.11 It is **your** responsibility to make sure that there is sufficient cash within **your cash facility** to make any payments due to be made. If the minimum balance of a **cash facility** falls below the minimum cash balance required of the total value of that **product wrapper** or, where the balance is greater than the minimum cash balance required but there is not enough money in the **cash facility** to meet any payment due, **we** reserve the right to:
- i delay or not execute any **investment** or withdrawal instructions;
  - ii delay or not pay out any charges; or
  - iii sell **investments** as described in clause 5.4.

This will remain the case until the **cash facility** minimum explained above, and the amount required to make the **investment**, charge or withdrawal is restored.

## 5.4 Cash facility maintenance and forced disinvestment

- 5.4.1 Where the **cash facility** falls below the minimum described in clause 5.3.9 or there is insufficient cash to make a payment under clause 5.3.7, and **you** have not taken any action (such as selling **investments** or paying in further **contributions**) to ensure that there is sufficient cash in the **cash facility**, **we** can top up the **cash facility** without **your** agreement.

**We** do this by selling the highest value **investment** in **your product wrapper**. Certain **investments** may be excluded from the **forced disinvestment** process, **you** can find out which **investments** are excluded at any particular time by contacting **us**. If **we** are not able to complete a **forced disinvestment** as the only **investments** left in **your product wrapper** are excluded from

this process, no payments will be made from **your product wrapper** until either:

- i **you** ensure that there is sufficient cash in the **cash facility** by making a **contribution** or a transfer, or by selling **investments**; or
- ii the excluded **investments** are no longer excluded from the **forced disinvestment** process.

If **we** are unable to collect **our** charges (see 10.3 for details of **our** charges) as **your product wrapper** contains only **investments** that are excluded **investments**, a debt will be noted against **your product wrapper**. This debt will be settled in full or in part when there is cash in the **cash facility**: in the event of the whole debt not being settled, the remaining amount will remain as a debt against the **cash facility** until there is sufficient cash to meet that debt.

- 5.4.2 A **forced disinvestment** will only take place where **you** have taken no action to maintain the minimum cash balance as explained in clause 5.3.9, to make sure that sufficient money is in **your cash facility** to meet any charges or other payments that are due to be paid from **your cash facility**. **We** will not provide **you** with any notice where **we** intend to or have carried out this process.

- 5.4.3 The **forced disinvestment** process will be initiated on a day **we** choose based on the reason for starting this process. This is to give time for the proceeds to reach **your cash facility** before a payment is due although **we** cannot guarantee that the payment will reach **your cash facility** in time. **We** are not responsible for any losses, claims or other issues that may occur where the proceeds do not reach **your cash facility** in time for any payment: it is **your** responsibility to ensure that there

is sufficient cash in the **cash facility** to meet any payments due.

We do not issue a contract note (for ISA) or a confirmation of investment – contract note (for **Retiready Pension**), for these transactions.

## 6 Contributing to your product wrapper

### 6.1 Methods of contributing

- 6.1.1 Each new **product wrapper** application must be accompanied by a bank transfer (BACS, Fast Payments or CHAPS), a fully and correctly completed **direct debit instruction** or a fully and correctly completed transfer request.
- 6.1.2 Bank transfers (BACS, Faster Payments or CHAPS) must be made payable to **our** designated account appropriate for that **product wrapper**. The account details are indicated on the appropriate notification **we** will send **you** through **the Service**.
- 6.1.3 **We** are not responsible or liable for any loss or costs incurred as a result of a direct debit payment being rejected by **your** bank or the incorrect initiation of a bank transfer (BACS, Faster Payments or CHAPS) to **our** bank account. Following the failure of a direct debit, **we** will attempt, where possible, to re-present the instruction to **your** bank once only.
- 6.1.4 All bank transfers sent to **us** must be accompanied by an identifying reference. If a bank transfer is sent to **us** without an identifying reference, **we** will endeavour to identify the source of the transfer. If **we** cannot, **we** will initiate the return of money to the source bank account no later than three **business days** after receipt.
- 6.1.5 **We** reserve the right to decline a payment made by bank transfer to **us**, and if **we** do so **we** will initiate the return of money to the source bank

account no later than three **business days** after receipt.

### 6.2 Contributions into a product wrapper

Regular contributions and single contributions made into a **product wrapper** can only be paid by you.

#### 6.2.1 Initial contribution

Minimum initial contribution levels apply for each of the **product wrappers**, which are set out on **the Service**.

#### 6.2.2 Additional contributions

Any minimum amount for additional contributions into the **cash facility** for a **product wrapper** will be set out on **the Service**. However, there may be minimum amounts payable with certain payment methods. Where this applies, any minimum amounts will be set out on **the Service**.

**We** can accept additional contributions by bank transfers (BACS, Faster Payments or CHAPS), which must be made payable to **our** designated account appropriate for that **product wrapper**.

The account details are indicated on the appropriate notification **we** will send **you** through **the Service**.

#### 6.2.3 Contribution limits

- a **Contributions** are permitted into an ISA subject to HMRC maximum yearly subscription limits. Current limits are available at [www.hmrc.gov.uk](http://www.hmrc.gov.uk). **You** are responsible for making sure **you** do not breach the current ISA subscription levels stated in the **ISA Regulations** for the tax year in which **you** are investing.

- b **Contributions** into a **Retiready Pension** may be liable to a tax charge where they exceed the annual allowance imposed by

HMRC. You are responsible for monitoring your pension savings against the annual allowance.

#### 6.2.4 Regular contributions

If you are making regular contributions, minimum regular contribution levels apply for each of the product wrappers. You can see the minimum regular contribution amounts that apply, from time to time, on the Service. You can only pay regular contributions monthly.

Regular contributions must be paid by direct debit and will be initiated following receipt of a fully and correctly completed direct debit instruction. Direct debits will typically be collected on the second business day of the month unless we have agreed another day with you.

You can change or stop regular contributions to a product wrapper at any time. You must tell us that you are doing this. Instructions from you must be made through the Service and must be received not less than 12 days before the collection of your next contribution.

#### 6.2.5 Sanctions

We reserve the right to refuse any contributions, distributions or instructions from you, a third party or your employer (as appropriate) or any withdrawal or transfer requests where:

- a you, the third party or your employer (as appropriate) are subject to any other sanctions or any regulatory restrictions or requirements; and/or
- b you, the third party or your employer (as appropriate) are subject to any other sanctions or any regulatory restrictions or requirements; and/or
- c we or any of our third party investment providers (including, but not limited to, fund managers

and their administrators) are subject to or apply any sanctions or any regulatory restrictions or requirements.

This includes any sanctions and any regulatory restrictions or requirements in the UK or any other jurisdiction. We reserve the right to determine how any contributions are applied and/or invested.

#### 6.3 Cash transfers from other product providers

6.3.1 We will accept transfers that are capable of being transferred into a product wrapper. Certain product-specific limitations exist for transfers in. For more information on transfers, please see clauses 3 and 8 of section A for your ISA and clauses 5, 6 and 7 of section B for your Retiready Pension. To ask us to accept a transfer into your product wrapper, you must complete and submit the request online using the relevant section of the Service.

6.3.2 Before asking your existing provider to pay the transfer to us, you may have to provide us with a fully and correctly completed transfer authority. We will tell you where you need to complete a transfer authority form. We will then contact your existing provider to arrange the transfer. We will not accept responsibility for any loss to you resulting from any delays or actions that are outside our control.

#### 6.4 Outstanding dividends or distribution payments

Other than for your Retiready Pension, if we receive any outstanding dividends or distribution payments under £50 from your previous provider which relate to a transfer into a Retiready product wrapper, we may return this to the previous provider or investment manager depending on the size of the payment and the ease with which we can apply it to your product wrapper. Any payment applied will be placed into the cash facility of the relevant product wrapper.

## 7 Managing your investments

### 7.1 Our nominee services

Any **investments** other than the cash in the **cash facility** of the **ISA**, or any other account that is used to move money to, from and within the **ISA**, that are held within **product wrappers** are held in the name of one of **our nominee companies**. Cash in the **cash facility** of, or any other account that is used to move money to and from and within, the **ISA** is held for **you** in the name of Aegon Investment Solutions Ltd and is subject to the **client money rules**.

- 7.1.1 Depending on the **product wrapper** you hold, the **nominee company** will be:

Product wrapper	Nominee
ISA	Aegon Investment Solutions – Nominee 3 (ISA) Ltd
Retiready Pension	Aegon SIPP Nominee Ltd

- 7.1.2 The **nominee companies** provide professional nominee services exclusively for **us** and can only hold assets belonging to **clients**. Aegon SIPP Nominee Ltd can only hold assets that are held in the **scheme**. This will include **your investments** within **your Retiready Pension** as well as assets of other members of the **scheme**. They do not carry on business in their own right and any assets held by them cannot be lent or borrowed against. This means **your assets** are held separately from **our own assets**. These services are included as part of **our** overall services to **you**, at no additional charge.

- 7.1.3 Each of **your investments** will be registered in the name of the nominee relevant to the **product wrapper** in which they sit. The exception to this is cash in the **cash facility** of the **ISA**, or any other account that is used to move money to, from and within the **ISA**, as this is held in the name of Aegon Investment Solutions Ltd and is subject to the **client money rules**.

7.1.4 While **your own name and details** do not appear on the register of any of the companies or funds whose **investments** you have chosen to hold in **your product wrapper**, **your investments** are still held for **your product wrapper**. We keep detailed records of which **investments** are held for each of **your product wrappers**, so that **your interests** in the **investments** are fully documented.

- 7.1.5 The obligations of the **nominee companies** are guaranteed by Aegon UK plc and we reserve the right at any time to appoint an alternative **nominee company** and/or custodian for **your investments**.

7.1.6 **Investments** (including money) held in **your product wrapper** may be held by a third party on **our behalf**, and may be pooled with **investments** of other investors. We will hold **your investments** and money that is in **your ISA** according to the requirements of the **client money rules**. These rules are designed to ensure that **your investments** and money are promptly returned to **you** in the event of the failure of Aegon Investment Solutions Limited or of a third party that is holding them on **our behalf**. The **Retiready Pension** is not subject to the **client money rules** as it is a contract of insurance and is governed by a different legal and regulatory regime. We will segregate **your investments** from **our own assets**. We will seek to make arrangements so that any third party that holds them does the same however this will not always be possible.

- 7.1.7 In the event of the insolvency of the investment manager of an **investment** there may be a claim under the Financial Services Compensation Scheme (FSCS). Whether or not there is a claim will depend on the type of, and circumstances of the **investment** and whether the FSCS regards you

as a retail client or professional client or eligible counterparty in accordance with FCA rules. For more information on **your** eligibility please contact the FSCS by calling 0207 741 4100 or visiting [fscs.org.uk](http://fscs.org.uk)

## 7.2 How your investments are managed

We offer the ability to trade a range of **investments**, through **the Service**.

- 7.2.1 Within each of the **product wrappers**, we offer the facility to buy and sell **investments**. The specific range of **investments** is determined by Aegon Investment Solutions Ltd in the case of the **ISA**, and the trustee of the **scheme** in the case of the **Retiready Pension** and also by the terms of the relevant legislation and **HMRC** rules.
- 7.2.2 Details of all the **investments** we provide under a **product wrapper** are available through **the Service**.
- 7.2.3 We reserve the right to vary the **investment** universe at any time.
- 7.2.4 If instructions are given to purchase any asset or **investment** that is not on the **investments list**, we will not initiate the purchase.
- 7.2.5 If an **investment** ceases to be allowable because it does not qualify under legislation or regulations as an **investment** that is permitted to be held within a **Retiready Pension** or an **ISA**, we must sell the **investment** as soon as practicable after it has been identified as not being an **investment** that is allowed within **your Retiready Pension or ISA**. You will be liable for the costs incurred in selling that **investment**, this will be taken from **your cash facility** as part of the trade.
- 7.2.6 Where an **investment** is removed from **the Service** either by the provider of the **investment** or by us, we will sell **your holding** in that **investment** and switch **your holdings** in to the **cash facility**. In these circumstances, any future **contributions** or transfer

payments which would otherwise have been applied into that **investment** will be retained in the **cash facility**. If you do not want this to happen, you must provide us with **your own investment** instructions through **the Service** prior to the date we set out in the notice telling you that the **investment** is being removed from **the Service**.

- 7.2.7 Where an **investment** is closed by the provider of the **investment** or by us to further payments into that **investment**, but that **investment** is not removed from **the Service**, you will retain **your holding** in that **investment**. You will not be able to make any further payments into that **investment**. Any future **contributions** or transfers which would otherwise have been applied into that **investment** will be retained in the **cash facility**.  
If you do not want this to happen, you must provide us with **your own investment** instructions through **the Service** prior to the date we set out in the notice telling you that the **investment** is being closed.
- 7.2.8 Where an **investment** is suspended from **the Service** by the provider of the **investment**, we will not be able to accept any instructions to buy, sell or switch the **investment** until the suspension is lifted.  
We will notify you if an **investment** becomes suspended. If we receive any such buy, sell or switch instructions during the period of the **investment's** suspension, these will be cancelled by us. Any future **contributions** or transfers which would otherwise have been applied into that **investment** will be retained in the **cash facility**. Once the suspension is lifted any

instructions in relation to that **investment** must be resubmitted to us via **the Service**. **We** will notify you once the suspension has been lifted.

### 7.3 General information about buying and selling investments

Within each **product wrapper**, **you** can select one **investment** from our **investments list**. Once **you** have selected an **investment** we will act on your **investment** instructions.

**Investment** instructions must be submitted by **you**, through **the Service**.

**7.3.1** Instructions to carry out **investment** transactions will be given by **you** using **the Service**.

**7.3.2** **We** accept all **investment** instructions in good faith. Once an **investment** instruction has been submitted and acknowledged through **the Service**, **we** cannot make any changes to that **investment** instruction.

**7.3.3** Details of instructions are provided online within the transaction history. **We** will confirm to **you** all **investment** purchases and sales that are instructed by **you**. It is **your** responsibility to check the transaction history and make sure that any instructions have been received by **us**.

**7.3.4** **Investments** are subject to such conditions and restrictions that can be imposed on us by any of our third party **investment providers** (including, but not limited to, fund managers and their administrators) from time to time on any particular **investment**. Where **we** are aware of conditions or restrictions that are in place, **we** will tell **you** about this when **you** apply for an impacted investment or otherwise as soon as practicable.

**7.3.5** **You** should read the **Aegon UK Retail Order Execution Policy** prior to trading investments. You can obtain this through **the Service**.

**7.3.6** **Investments** are subject to the terms of a document called a prospectus. These are available from the **investment provider** or **fund manager**. Instructions to trade should be made in accordance with the terms of the prospectus.

### 7.4 Trading methods

**Investments** that are traded online are aggregated.

**7.4.1** **We** can change the method by which **investments** are traded. **We** will only do this where, if the **investment** is traded online **we** are no longer able to offer the trading of the **investment(s)** online. **We** cannot accept any requests to trade an **investment** that is traded online by a method other than the method stated here unless **we** agree otherwise.

### 7.5 Aggregated trading

**7.5.1** **Investments** traded by this method will have a **dealing point**. At this **dealing point**, all instructions received from **clients** using **the Service** will be added together into a single trade for a particular **investment** and sent to the relevant **investment provider**. This means that a deal that **you** place may be combined with deals for the same **investment** made by other users of **the Service**. **We** will place all buy instructions separately from all sell instructions.

**7.5.2** **We** adhere to FCA rules on **aggregated trading** and managing conflicts of interest and keep records of transactions to make sure that **we** can allocate all deals fairly and in the order in which they were placed.

**7.5.3** For aggregated transactions **we** reserve the right to round the **settlement proceeds** when **we** apply them to your account.

## 7.6 Dealing minimums

Some investment managers have their own dealing minimums. If **your** instruction does not meet the dealing minimums imposed by the **investment manager**, which may apply to both buys and sells, **we** will not be able to carry that instruction out and **your** money relating to that instruction will remain in **your cash facility** until **we** receive an alternative instruction from **you**. **We** may also set a dealing minimum which will be based on the **investment managers'** dealing minimums.

This dealing minimum may be higher than the **investment managers'** dealing minimums to reduce the risk of market movement resulting in trades being rejected. **We** are not liable for any loss incurred by **you** due to the instruction being delayed or not actioned due to investments not meeting either the **investment manager's** or **our** dealing minimums except to the extent it arises from or is attributable to **our** wilful act, omission or negligence.

## 7.7 Settlement

For **investment sales**, any **settlement** proceeds will be credited to **your cash facility** one business day after it is received. The timing of **settlement** depends on the **settlement** arrangements of the individual **investments** being traded however, there may be occasions where **settlement** is delayed, for example, where the **investment provider** is experiencing liquidity issues. Delays of this nature are outside **our** control. Where **settlement** is delayed **we** will notify **you** of this where the delay is significant and it is possible to notify **you** before the trade settles. For **investment** purchases, **we** will ring-fence any money due for **settlement** from **your cash facility** when the instruction to purchase is placed with **us**.

## 7.8 Individual purchase and sale transactions

7.8.1 Retiready applies a **dealing point** in advance of the **investment's** dealing point. **You** can find out details of Retiready's **dealing points** for each **investment** through **the Service**.

7.8.2 Except in relation to switches as set

out in clause 7.9.3, **we** are only able to initiate a purchase transaction after receipt of cleared funds in the **cash facility** of **your product wrapper**.

### 7.8.3

Once **we**:

- have received and acknowledged **your** instruction; and
- have identified and applied appropriate cleared funds to **your cash facility**,

any purchase of **investments** will then typically be made within the next two **Retiready dealing points**, subject to acceptance of the instructions by the relevant **investment provider/fund manager**.

Some **investments** will have different times at which they deal due to their nature, for example they may deal only on one day a month. The **dealing points** for each **investment** can be found on **the Service**.

### 7.8.4

In order to initiate **your** sale

instructions, **we** must have received and acknowledged **your** instruction. Any sale of **investments** will then typically be made within the next two **Retiready dealing points**, subject to acceptance of the instructions by the relevant **investment provider/fund manager**.

If **you** tell us to sell a specific number of units/shares in order to achieve a specific amount of money, **you** may not get the exact amount **you** asked for. **You** may get more or less depending on the unit/share prices at the relevant **dealing point(s)**.

## 7.9 Switching within a product wrapper

### 7.9.1

Switching (or a switch transaction) comprises a single instruction for the sale of an **investment** or **investments** and the associated purchase of another **investment** or **investments**. (For the avoidance of doubt, an instruction to sell an **investment** or **investments** and apply their sale proceeds into the **cash**

- facility is not a switch transaction for the purposes of this clause 7.9.)
- 7.9.2 Where **you** instruct **us** to carry out a switch transaction, **we** will initiate a sale in accordance with clause 7.8.4 above. **We** will then carry out the purchase of the new **investment(s)** as follows:
- 7.9.3 **Pre-funded switching**
- Subject to clause 7.9.4, where **you** are carrying out a 'linked switch' that is, **you** have given **us** an instruction to sell one or more **investments** and use the sale proceeds to purchase other **investments**, **we** will initiate **your** purchase instruction in relation to the switch when **we** receive confirmation of the sale price(s) from all the **investment providers** in respect of the associated sale transaction(s). **We** will not wait for cleared sale proceeds to be received into the **cash facility** of **your product wrapper** in order to proceed with the purchase transaction, which will otherwise be carried out in accordance with clause 7.8.3.
- Please note, if **you** have available cash in **your cash facility** to settle **your** purchase transaction this cash will be used first. **We** will only pre-fund **your** purchase transactions where there is not enough available cash in **your cash facility** to pay for the purchase in full (and then only to fund the shortfall between **your** available cash and the cost of the purchase transaction).
- In the event that **we** do not subsequently receive sale proceeds from any **investment provider** in relation to the switch within 14 days of the sale transaction, **we** will notify **you**. **You** can then choose how **you** want to pay for the shortfall in the cost to purchase your chosen **investments**, for example by paying further **contributions** into **your product wrapper** or by instructing **us** to sell specific **investments**. If **you** do not take any action, or the action **you** take is not sufficient to meet the full shortfall within 14 days of **us** notifying **you** of the shortfall, **we** may deduct the outstanding amount from the **cash facility** in **your product wrapper**. If there is not enough cash in **your cash facility** to pay the outstanding shortfall the **forced disinvestment** process in clause 5.4. will apply.
- 7.9.4 **Funded switching**
- We** may cease to offer pre-funded switching in exceptional circumstances such as:
- where **we** receive an unusually high number of switch transaction instructions;
  - where **we** receive an unusually high value of switch transactions; or
  - in periods of significant market volatility.
- We** will inform **you** on the Service where **we** cease to offer pre-funded switching and **we** will carry out **your** switch instruction as separate sale and purchase transactions on the basis set out in clauses 7.8.3 and 7.8.4. This means **we** will await **settlement** of all of the sale instructions before initiating **your** purchase instruction(s).
- 7.9.5 Once a switch instruction has been submitted, no aspects of that switch can be changed or cancelled.
- 7.9.6 A switch instruction cannot be carried out if there is an outstanding switch from the same **investment** in progress. The switch will be carried out once the outstanding switch has completed.
- ## 8 Investment servicing and administration
- This clause 8 applies to all **investments** other than the **Retiready insured funds**. Details of the investment servicing and administration of the **Retiready insured funds** is contained in the Retiready insured Funds Policy.
- ### 8.1 Valuation of investments
- We** do not value **investments** but rather **we** rely on data supplied by third parties to provide a valuation of the **investments** in **your product wrappers** each **business day**. Valuations are

used for certain transactions, such as cash top-up and the calculation of charges.

From time to time this information may be delayed, assumed or estimated by the third party data provider. **We** do not accept any liability resulting from delays, assumptions, estimates or errors in any such third party information.

## 9 Servicing

### 9.1 General enquiries

For general enquiries, in the first instance please refer to the Frequently Asked Questions part of **the Service**. You can contact **us**:

- by using the details at [www.aegon.co.uk/contact](http://www.aegon.co.uk/contact); or
- online through **the Service**.

### 9.2 Change of client profile and product wrapper information

The following changes to **your client profile** can be made online, with the relevant supporting documentation sent to **us**, where appropriate:

- change of **your** residential address;
- change of **your** contact details e.g. telephone numbers and email address **you** have given to **us** on **the Service**;
- changes to **nominated bank account**, which must be a bank account held in the UK unless **we** agree otherwise with **you**; and
- **product wrapper** closures.

### 9.3 Documentation and communications from us

9.3.1 **We** will operate within the rules set out by the FCA and will send **you** such documents as required by all regulations through **the Service**, including, but not limited to:

- a Contract notes (for **ISA**) or Confirmation of investment – contract note (for **Retiready Pension**), detailing **investments**, subscriptions and **contributions** and **investment** purchases and sales made through **the Service**. Contract notes or Confirmation of investment – contract note, as appropriate,

will not be issued for transactions resulting from maintenance of the **cash facility**.

- b Periodic statements detailing all transactions that have taken place in the period (including those not previously notified to **you** in a **Contract note** or a **Confirmation of investment – contract note**, as appropriate) and a valuation of **investments** held.

- For **your ISA**, these statements will be generated on a three monthly basis. You also have the right to request ad hoc statements in respect of **your ISA**.
- For your **Retiready Pension**, the statement will be generated once a year.

**We** will add these statements to **the Service**. **We** will send **you** an electronic message, using the electronic address **you** have given to **us** for use with **the Service** when **we** have added the statements to **the Service**.

- c A yearly statement containing details of the total costs and charges deducted from your **product wrapper(s)** over a 12 month period.

### 9.4 Complaints

9.4.1 If **you** have a complaint about **the Service** or **product wrapper** you can raise the matter with **us**:

- by sending **us** an email through **the Service**; or
- online through **the Service**.

9.4.2 **We** have a complaints procedure, which is in line with the FCA's rules. **We** will send **you** details of **our** complaints procedure and what **you** can expect when **we** acknowledge **your** complaint. **You** can see the complaints procedure on **the Service**.

9.4.3 If **your** complaint is not dealt with to **your** satisfaction **you** have the

- right to refer **your** complaint to the Financial Ombudsman Service free of charge. **You** can see how they can help on their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). **You** must contact them within 6 months from the date **you've** received our final response, and their contact details are:
- Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
0800 023 4 567 (free from a landline or mobile)  
0300 123 9 123 (calls to this number cost no more than calls to 01 and 02 numbers)  
[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)
- 9.4.4** If your complaint relates to **your Retiready Pension** you also have the right to refer **your** complaint to the Pensions Ombudsman free of charge. **You** must contact the Pensions Ombudsman within three years of the event **you** are complaining about happening or within three years of when **you** first knew about it (or should have known about it). Their contact details are:
- The Pensions Ombudsman Service  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU  
Telephone: 0800 917 4487  
Email:  
[enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)  
Website:  
[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)
- 9.4.5** Where complaints relate to a third party, **we** reserve the right to refer these to the third party and inform **you** that **we** have done this.

## 9.5 Cancellation

- 9.5.1** When **you** cancel **your product wrapper** within the cancellation period, as set out in **your** key features document, all **contributions** and transfers will be repaid. The amount to be repaid will depend on what action has been taken in respect of **your product wrapper** at the time **you** cancel. Other than **regular contributions**, which will always be returned in full.
- 9.5.2** **General**  
If **your investment** has fallen in value before **we** received the cancellation request, **you** may get back less than **you** invested.  
The maximum repayment that is possible when **you** cancel is 100% of **your** original **investment**.  
If **you** cancel after purchasing **investments** that are not easily convertible to cash, **we** may have to delay the return of the monies to **you**. **You** should be aware that this may involve a significant delay.  
Where **you** have transferred funds to **us** from **your** previous provider, it may not be possible to reverse the transfer as the previous provider is not obliged to take back the transfer and/or may levy charges in order to do so.
- 9.5.3** **Regular and single contributions**  
Only the first **contribution** **you** choose to make will have cancellation rights, whether a **regular contribution** or a **single contribution**. **You** don't have the right to cancel any increase in **regular contributions** or additional **single contribution** **you** choose to make.
- 9.5.4** **Single contributions and transfers**  
For **single contributions** or transfers, **you** may get back less than **you** invested if **your investment** value has fallen before **we** received **your** cancellation request. If the value

of **your** investments has increased between investing **your single contributions**, or transfers, and receiving **your cancellation instruction**, then the sum refunded will be no more than the original value of **your contributions** or transfer.

#### 9.6 Verification of your identity/source of wealth

We are required by the **Money laundering regulations** to verify **your** identify when **you** open **your first product wrapper** and throughout the period that **you** hold a **product wrapper**. In addition, in certain circumstances **we** will need to check where any money **you** are investing in a **product wrapper** comes from.

Where **we** are unable to satisfactorily verify **your** identity and/or the source of the money **you** are investing, **we** may decide to close the **product wrapper**, return the payment and remove **your** access to **the Service**.

Where, for a **Retiready Pension**, **we** are unable to satisfactorily verify **your** identity and/or the source of the money **you** are investing and **we** decide to return the payment to **you** from the **Retiready Pension** that payment may be an unauthorised payment in terms of the Finance Act 2004. Where this is the case, **we** will deduct the unauthorised payment charge, the scheme sanction charge and any unauthorised payment surcharge due to HMRC before **we** return the payment to **you**.

### 10 Payments out (withdrawals, transfers and charges)

#### 10.1 Withdrawals from a product wrapper

10.1.1 Whether withdrawals are allowed from a **product wrapper** is closely governed by the individual **product wrapper rules**, so **you** should refer to sections A and B.

10.1.2 All withdrawals will be deducted from the **cash facility** of the **product wrapper** as instructed by **you**. **You** must make sure that there is sufficient cleared money available in the **cash facility** for these withdrawals to be paid.

10.1.3 **We** will pay all proceeds received directly to **your nominated bank**

**account**. The bank account **you** nominate must be a UK bank account unless **we** agree otherwise with **you**. If **you** have changed **your nominated bank account** **we** will only make payment once **we** have verified the account. This may result in payment being delayed. All payments will be made in Pound Sterling, including where **you** have a nominated a bank account other than one held in the UK and **we** have agreed to make payment to this bank account.

- 10.1.4 Payments are made by BACS and are subject to the bank clearing rules.
- 10.1.5 All payments made by **us** will be made by bank transfer. Payments will not be made by cheque.
- 10.1.6 With the exception of payments related to a **Retiready Pension**, **we** will not make any payments with a value of less than £1.
- 10.1.7 **We** will not make withdrawal payments to third parties.
- 10.1.8 Where there is a payment out of **your product wrapper**, this will be made after the deduction of any outstanding charges, taxes, fines, or other payments that **we** are required to pay under legislation, regulation or order of a court, tribunal, ombudsman or other similar institution.

#### 10.2 Transfers from the Service to another provider

- 10.2.1 **We** will allow cash transfers out from the **ISA**, where **we** have received a fully and correctly completed transfer authority signed by **you**. Current year **ISA** subscriptions, **investments** bought with those subscriptions and any income generated from those subscriptions must be transferred out in full.

- 10.2.2 Where **you** want to transfer out part of a **product wrapper**, the minimum amount that **you** must keep in **your product wrapper** is set out on **the Service**. If the amount remaining in **your product wrapper** is less than this

minimum amount, **we** reserve the right to transfer the whole value and close **your product wrapper**.

- 10.2.3 If you have outstanding Retiready charges related to **your product wrapper**, **we** will deduct **our** charges from the **cash facility** of that **product wrapper** before transferring any money out.

### 10.3 Retiready charges

This section details the annual charges **we** take for the provision of the **product wrapper** and **the Service** by **us**. The actual amount of these annual charges that apply to **your product wrapper(s)** are set out in **your** illustration.

Retiready charges will apply for as long as the product wrapper is open.

#### 10.3.1 Annual charge

- a The annual charge is based on the total value of all **your product wrappers**, held under the same **client profile**. The annual charge is calculated as a percentage of this total, as detailed on **the Service**.
- b The annual charge will be applied to each **product wrapper** and taken from the **cash facility** of each **product wrapper**.
- c Where possible, **we** will take into account the value of **your** other eligible Aegon pension products that are shown on **the Service** under **your client profile** when calculating the cumulative value of all **product wrappers** held. This could have the effect of reducing the percentage of the annual charge **you** pay through **your product wrapper**.
- d The annual charge is calculated monthly on an annualised basis and will be deducted monthly in arrears from the **cash facility** of the relevant **product wrapper**. This means that each month it will be calculated as though it was going to apply for one year from that month but only be deducted in

relation to that month. It will be calculated and deducted in this way each month.

- e The valuation date of **your** total **investments** on which the annual charge is based is the last **business day** of the month. The annual charge will then be deducted from **your cash facility** on or around the first **business day** of the next month. Where the balance of the **cash facility** is insufficient to pay the proportion of annual charge and the **forced disinvestment** process as described in clause 5.4.1 applies, the proportion of annual charge will be deducted from the relevant **cash facility** on or around the sixth **business day** of the month. Any valuation is based on the latest valuation **we** hold for the particular **investment** it relates to.
- f You may be on a different scale from **our** standard tiered scale. **We** will tell **you** if **you** are on a different scale. If **you** are on a different scale then any discount will apply to that scale and not the standard tiered scale.
- g Uncleared funds and incomplete transfers are not included in the calculation of the annual charge.
- h If **you** have a **Retiready Pension**, any portion of the annual charge that relates to the **Retiready Insured Funds Policy** (see part 2 of this booklet) are charges that arise under that policy. These charges are payable to Scottish Equitable plc as the provider of that policy.

#### 10.3.2 UFPLS charge

**We** reserve the right to make a charge for processing and paying a request for an **UFPLS**, or to introduce a charge

in general for processing and making payment of **UFPLSs**. Any charge that **we** introduce for processing a request for an **UFPLS** will be introduced in accordance with clause 10.3.4. Where **we** decide to introduce a charge for processing a request for payment of an **UFPLS**, **we** will tell **you** of **our** charges at the point of making such a request.

### 10.3.3 Withdrawals

- a No charges will be made for withdrawals (other than for an **UFPLS**, where an **UFPLS** charge is made in terms of clause 10.3.2 of this general section).
- b No charges will be made for transferring out to another provider.

### 10.3.4 Changes to Retiready charges

- 10.3.4.1 During the lifetime of a **product wrapper**, **we** may need to change **our** charges. A change to our charges means:
  - levying new types of charges;
  - setting minimum charge amounts;
  - removing charges; or
  - varying the level of an existing charge.

- 10.3.4.2 Where **we** feel it is necessary to change **our** charges **we** will only do so for one or more of the following valid reasons:
  - i to reflect changes in market conditions and general industry practice relevant to **the Service**, which result in an increase to **our** costs;
  - ii to take account of changes to the law, codes of practice or the way in which

**we** are regulated or, changes to the way in which **we** or **you**, are taxed;

- iii to reflect any changes to the way in which **we** provide **our** services, including changes in the technology **we** use to provide **the Service** and **product wrappers** to **you**;
- iv to reflect increases in the cost of providing **the Service** and **product wrappers** to **you**, for example, staffing or technology costs;
- v to take account of a decision by a court, ombudsman, regulator or similar body; and
- vi to allow for a charge to increase each year in line with the consumer prices index or any replacement of this index. (The consumer price index is an official method of calculating inflation in the UK. It is a measure of the cost of living and reflects changes in the general price level.)

- 10.3.4.3 Where **we** levy a new type of charge or where **we** vary the level of an existing charge, **we** will set the amount at a level **we** believe is not excessive, and **we** will exercise this right and provide **you** with notice of the change as set out in clause 13.6.2, including details of the change and date on which it will become effective.

- 10.3.4.4 If **you** are unhappy with a change to **our** charges **you** have

the options set out in clauses 13.6.3 and 13.6.4, including the right to terminate **your** use of the Service and close your product wrappers without additional charge.

## 11 Product wrapper closure

- 11.1 You can close your product wrapper(s) at any time by asking us to withdraw all the investments and cash in them, or asking us to transfer them to another appropriate provider.
- 11.2 If:
- you are unhappy with any changes we make to these Terms and conditions; or
  - you otherwise want to terminate your use of the Service and close all your product wrappers,
- you may terminate the agreement between you and us formed by these Terms and conditions by writing to our Retiready Support team.
- You will need to tell us what to do with your investments. You can ask us to withdraw all the investments in your product wrappers or to transfer them to another appropriate provider. We will complete any instructions we have already started for you and these Terms and conditions will apply until we complete all of those instructions and pay out any money we owe you.
- 11.3 If you withdraw all of your investments and cash from a product wrapper, we reserve the right to close that product wrapper.
- 11.4 We may cease to accept further contributions or transfers, or to close a product wrapper, if we deem it appropriate and reasonable to do so either:
- by giving you at least three months' notice; or
  - without notice under clause 9.6, or where you, a third party who is paying contributions on your behalf or your employer are named on a sanctions list as described in clause 6.2.5 or you are no longer resident in the UK or you become a citizen of another country, provided

- we inform you of this immediately.
- We may refuse to accept further contributions or transfers, or close a product wrapper, by giving you advance notice in any of the following circumstances:
- i Following receipt of a court order obliging us to close the product wrapper.
  - ii Your product wrapper has a balance of less than £1,000 for three or more consecutive months and you are not paying in regular contributions.
  - iii You have assigned your investments to a third party without our agreement.
  - iv You cease to become eligible to contribute to the product wrapper by ceasing to be habitually resident in the UK.
  - v You are using your product wrapper for illegal purposes.
  - vi The details you gave in, and the declarations you accepted in your application for your product wrapper(s) are incorrect and, had your application been correct, we would not have accepted your application for a product wrapper(s);
  - vii You commit a material breach of these Terms and conditions or any other documents that apply to your product wrapper(s) or the Service;
  - viii Allowing you to contribute or transfer in would breach legislation, HMRC or FCA regulations.
  - ix Where we determine that there has been no movement on your cash facility (or cash facilities) balance for a period of at least 12 months.
- 11.5 Where we will give you notice in advance of our intention to close a product wrapper, we will do this by sending you an email to the email address you have given to us on the Service (or by writing to the address we hold for you on the Service where you have not given us an email address), giving you 60 days to respond

before terminating unless **we** are required by law to act sooner. **We** will close **your** product after the 60 days notice period has expired. Where **we** do not have a nominated bank account for **you** we will close **your** product and retain **your** balance in our client money account until **you** claim it. The client money account does not pay interest.

- 11.6 On the date of closure, all remaining **investments** will be sold and the proceeds deposited in the **cash facility** for the **product wrapper(s)** closing. After the deduction of any outstanding charges, the balance of each such **cash facility** will be paid into **your nominated bank account**, with the exception of the balance of the **cash facility** of the **Retiready Pension**, which must be paid to a **registered pension scheme** or **QROPS**, or where **you** are eligible to take retirement benefits, **you** may choose that the proceeds are paid in accordance with clause 9 section B.

Where **we** do not have a **nominated bank account** for you we will close **your product** and retain **your** balance in **our** client money account until **you** claim it. The client money account does not pay interest.

- 11.7 Where clause 11.4 ix applies, if **we** are not able to return the balance in **your cash facility** (or **cash facilities**) to **your nominated bank account**, **we** will keep that balance. If, at a later date **you** make a claim for this balance, **we** will repay it to **you**.

## 12 Retiready

- 12.1 Aegon Investment Solutions Ltd, trading as **Retiready**, is authorised and regulated by the **Financial Conduct Authority** and provides the **ISA**. Aegon Investment Solutions Ltd's Financial Services Registration Number is 543123.

Aegon Investment Solutions Ltd, is a company registered in Scotland with registered number 394519 of Edinburgh Park, Edinburgh EH12 9SE.

- 12.2 Scottish Equitable plc, trading as **Retiready**, is authorised by the **Prudential Regulation Authority** and regulated by the **Financial Conduct Authority** and the **Prudential Regulation Authority** and provides the **Retiready**

**Pension**. Scottish Equitable plc's Financial Services Registration Number is 165548. Scottish Equitable plc is a company registered in Scotland with registered number SC144517 of Edinburgh Park, Edinburgh EH12 9SE.

**You** can check these details on the Financial Services register at [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0300 500 0597.

The FCA's address is:

Financial Conduct Authority  
12 Endeavour Square  
London  
E20 1JN

- 12.3 Our **nominee companies** are wholly owned subsidiaries of Aegon UK plc and the actions of these **nominee companies** remain **our** full responsibility at all times, in compliance with **FCA** regulations including the Regulated Activities Order, which provides the exemption for nominees from **FCA** authorisation.

**We** undertake to be responsible for the safeguarding and administration of **investments** as if **we** were the nominee itself.

## 13 Legal notices

### 13.1 Conflicts of interest policy

**Retiready** maintains a conflicts of interest policy. The policy is available on the Service.

### 13.2 Aegon UK Retail Order Execution Policy

**Retiready** maintains the **Aegon UK Retail Order Execution Policy**. The policy is available on the Service. **You** must read the policy prior to trading. By signing up to these **Terms and conditions** you confirm that **you** have read the **Aegon UK Retail Order Execution Policy** and agree with its terms.

### 13.3 Limitation of liability

- 13.3.1 Where **you** receive any communication or documentation from **us** that contains any incorrect details or errors in relation to **your product wrappers** that relate to:
- **your details;**

- any changes to those details;
  - any transactions carried out within the Service;
  - any charges;
  - any payments to, or from a product wrapper; and
  - any other information provided by, or action taken by, you.
- you must notify us of any such error(s) within 30 days of receiving any incorrect details or errors. The 30-day period will be from the time of sending any electronic correspondence.
- If you notify us within 30 days, we will correct the details or error where it is possible to do so. We will not be liable for any loss unless this was as a direct result of our negligence, wilful default or fraud.
  - If you notify us outside of this 30-day period, you accept and acknowledge that any compensation payable for loss suffered or sufferable will be restricted to the value of the loss within the 30-day period, and you will indemnify us against any payment we make in relation to a claim in respect of any loss suffered as a result of any such discrepancy or error to the extent that such payment exceeds the value of the loss within this 30-day period.
- 13.3.2** We are not liable to you for any costs, charges, expenses, taxes, levies or other liability of whatever description that have occurred or accrued or have been triggered by us following an instruction from you (or which we, acting in good faith, believe to be from you), or by us exercising our rights under the Terms and conditions of the Service or any particular product wrapper you hold.
- 13.3.3** You agree to release and indemnify us from, and against, any and all costs, claims, demands, losses, expenses and liabilities suffered by us in acting in reliance on an instruction given by you (or which we, acting in good faith, believe to be given by you).
- 13.3.4** Neither you, nor we, will be liable to the other in contract or otherwise for any indirect loss or damage. We will not pay for any losses that are not directly associated with the incident that caused you to claim (for example, loss of business, loss of data, loss of profits and third-party claims), whether or not that loss or damage was foreseeable.
- 13.3.5** You indemnify us against all liabilities incurred by us in connection with your investments and client profile, other than liabilities caused as a direct result of our negligence, knowing default, fraud or breach of the FCA rules or breach of contract.
- In general, we are not liable for:
- any force majeure events and for events outside our reasonable control;
  - any acts or omissions of any third-party service provider to the extent that these are outside of our control;
  - any acts, errors, omissions, defaults, frauds or any other actions of any third party with or through whom investments are held;
  - fluctuations in investment values (including those occurring during any period in which any verifications necessary under the money laundering regulations requirements are being undertaken); and
  - any loss resulting from any delay in the payment or transfer of funds to us.
- 13.3.6** We are not liable or responsible for investments or instructions received in relation to investments until clear funds are received from you or any other source of funds such as a transfer.
- 13.3.7** Notwithstanding the foregoing, the limitations in this clause will not be applied where it would limit liability for

death, personal injury, negligence, wilful default, or any other liability in respect of which limitation is prevented by law from time to time.

- 13.3.8 Nothing in these **Terms and conditions** will exclude or restrict to an extent prohibited by the rules of the FCA, any duty or liability **we** may have under the regulatory system (as defined by the rules of the FCA). Nothing in these **Terms and conditions** will exclude any obligations **we** may have in law.

#### 13.4 Taxation

Tax treatment depends on **your** individual circumstances. Any tax information provided is based on **our** understanding of current law and HMRC practice, which may change.

#### 13.5 Information and data protection

- 13.5.1 Where **you** receive correspondence from **us** that contains any incorrect details or errors in relation to **your product wrappers** that relate to:
- **your details;**
  - any changes to those details;
  - any transactions carried out within **the Service**;
  - any charges;
  - any payments to or from a **product wrapper**; or
  - any other information provided by, or action taken by **you**,

**you** must notify **us** of any such error(s) as soon as **you** become aware of them.

13.5.2 How we use your information

The following section explains how **we** will use any personal information **we** collect about **you**.

- 13.5.3 **We** will only use the information **you** have provided for the operation of the **client profile** and **product wrapper(s)** **you** hold with **us**. **We** will only give out this information to people with whom **we** deal in the day-to-day operation of **your product wrapper(s)**, to people acting as **our** agents, any other third party that has the relevant permission

to receive this information or as required by law on the understanding that the information will be kept confidential. **We** will not use **your** information for marketing purposes without **your** permission.

- 13.5.4 **We** may transfer **your** information to other countries, which could involve processing information outside of the European Economic Area (EEA). However, where such processing takes place, appropriate controls are in place to ensure the protection of **your** information.

- 13.5.5 **You** have the right to request a copy of all of the information **we** hold about **you**. If **you** want to submit a subject access request to **us**, please write to **our** Data Security and Privacy Manager at the following address:  
Data Security and Privacy Manager  
Aegon  
Edinburgh Park  
Edinburgh EH12 9SE

- 13.5.6 We will record and monitor telephone calls with **you** and will hold these recordings for such periods of time as required by applicable law and regulation.

#### 13.6 Amendments to the terms and conditions

- 13.6.1 In addition to **our** right to change **your** charges under clause 10.3.4, **we** can amend any other element of these **Terms and conditions** from time to time where **we** consider it necessary to make the change for the following valid reasons:
- a where **we** consider it will make these **Terms and conditions** easier to understand or fairer to **you**;
  - b to correct any errors, omissions or inaccuracies in these **Terms and conditions**;
  - c to allow **us** to provide an improved, more efficient or lower-cost service to **you**;

- d to provide additional services, facilities or options to **you**;
  - e where **we** need to make changes for the ongoing provision of **the Service** and **product wrappers** **we** provide to **you** but which may operate **your** disadvantage;
  - f to vary the minimum **contribution** or payment amounts, vary the maximum or minimum **product wrapper** value, or vary the withdrawal amounts from **product wrappers**; or
  - g where:
    - (i) **we** are required to respond to any changes to legislation or regulations; or
    - (ii) to take account of codes of practice; consumer standards; or any decisions made by a court, ombudsman, regulator or similar body.
- 13.6.2 Where **we** are going to amend these terms and conditions for any of the reasons listed in clauses 13.6.1 (a) to (g) or change **our** charges under clause 10.3.4, **we** will exercise those powers of amendment in a reasonable and proportionate manner, and will only do so where **we** provide prior written notice to **you**. **We** will provide at least one month's prior written notice of any such amendment unless doing so would result in **us** being unable to comply with legal or regulatory changes, in which case **we** will provide **you** with as much notice as possible.
- 13.6.3 If **you** are unhappy with the proposed changes to these **Terms and conditions**, or proposed changes to **our** charges, **you** should notify **us** of this. **You** have the right to terminate **your** use of **the Service** and request that **we** close all **your product wrappers** and pay the proceeds to **your nominated bank account** or transfer **investments**, or the proceeds of their sale to another provider, where applicable.
- 13.6.4 Where **you** request that **we** terminate **your** use of **the Service** and that **we** close all **your product wrappers** in accordance with clause 13.6.3, this will be carried out in accordance with clause 11.3 and will be at no additional cost to **you**. However, **we** will deduct all outstanding charges accrued to the date **we** notified **you** of the changes to these **Terms and conditions**. Where **you** hold a **Retiready Pension** **we** are unable to pay the proceeds to **you** – the proceeds must be paid to another registered pension scheme or QROPS.
- 13.6.5 These **Terms and conditions** will be superseded by any more recent versions, which will incorporate any changes made under this clause.
- ## 13.7 Law and jurisdiction
- 13.7.1 The law that applies to **your product wrapper** and the **Terms and conditions** will depend on where **you** are habitually resident at the time **your product wrapper** starts. If **you** are habitually resident in:
- a England and Wales, **we** will treat **your product wrapper** as having been taken out in England and Wales and the laws of England and Wales will apply.
  - b Scotland, **we** will treat **your product wrapper** as having been taken out in Scotland and the laws of Scotland will apply.
  - c Northern Ireland, **we** will treat **your product wrapper** as having been taken out in Northern Ireland and the laws of Northern Ireland will apply.

For the purposes of this clause, **we** will treat **you** as being habitually resident at the address on **your** application for a **product wrapper** when the **product wrapper** is set up.

- 13.7.2 If **you** are habitually resident elsewhere, **we** will treat **your product wrapper** and the **Terms and conditions** as having been effected in Scotland, and the laws of Scotland will apply.
- 13.7.3 If **you** apply for additional **product wrappers**, each **product wrapper** will be treated separately for the terms of this clause.

### 13.8 Notices

- 13.8.1 Unless otherwise directed in these **Terms and conditions**, all notices should be sent to **us**:
  - by sending **us** an email through **the Service**; or
  - online through **the Service**.
- 13.8.2 If **you** make a request, instruction or notification under these **Terms and conditions**, **you** must do this:
  - by sending **us** an email through **the Service**; or
  - online through **the Service**.

**We** will only accept or act upon it when **we** receive it at Retiready Support. **You** must also send **us** any documents and information that **we** need to carry out **your** request or instruction. All written instructions must be in English and must be clear and easy to understand. No one else is authorised to accept any requests, instructions or notifications on **our** behalf.

- 13.8.3 When **we** write to **you**:
  - **we** will treat **our** electronic message as having been received by **you** on the day **we** send the electronic message to the email address **you** have given to **us** on **the Service**;
  - **we** will treat **our** letter as having been received by **you**, three **business days** after posting **our** letter to **your** last known address.

### 13.9 Electronic messages

- 13.9.1 **The Service** is conducted in an online environment. Any electronic message that is given through **the Service** in this online environment will be treated as a written communication in line with this clause.

**We** will tell **you** within these **Terms and conditions** where actions under these **Terms and conditions** are not conducted in an online environment. Other parts of **the Service**, for example, certain statements, Contract notes, some items that **we** must send to **you** or **you** must send to **us**, and some correspondence may be conducted outside of the online environment.
- 13.9.2 **We** will treat an electronic message as a written communication received at Retiready Support if:
  - a **we** have told **you** in writing that **we** will accept an electronic message for a specific purpose and **your** electronic message is for that specific purpose
  - b **we** have told **you** what type of electronic message **we** will accept for that specific purpose from time to time
  - c **we** have told **you** where to send that message
- 13.9.3 **We** will treat the message as being received when **we** receive it at that electronic address. This will be when it enters **our** system provided that no error message indicating failure to deliver has been received by **us**.
- 13.9.4 **We** will treat **our** electronic message as having been received by **you** on the day **we** send the electronic message to the electronic address **you** have given to **us** for use with **the Service** unless **we** receive an error message telling **us** that it has not been successfully delivered.

- 13.9.5 While **we** will try to ensure best endeavours at all times, **we** do not guarantee:
- a that any electronic messages sent to or by **us** will be secure
  - b that any electronic messages sent to or by **us** will be free from interception and/or change
  - c the routing of any electronic message or the time of delivery or receipt
- We** are not liable for any viruses received by **you** through electronic messaging.
- 13.9.6 Where an electronic message is sent by **you**, **you** are liable for any damage or loss caused either directly or indirectly by the use of the electronic message or in relation to that use.
- 13.9.7 **We** can act on an electronic message that **we** reasonably believe comes from **you**. **We** do not need to verify the sender of the message or their authority to send it.
- 13.9.8 It is **your** responsibility to make sure that any electronic message **you** send **us** is actually received by **us**. **We** have no liability for messages sent to an incorrect electronic address.
- 13.9.9 An electronic message that does not comply with this clause is not a valid communication for **your Terms and conditions**.
- 13.9.10 **We** regularly monitor electronic messages. **We** will hold electronic messages for such periods of time as required by applicable law and regulation.
- 13.10 Transfer of business
- 13.10.1 In the event that **we** transfer **our** business to another person, including to one of our group companies, **your cash facility** and any other account that **we** may use to transfer money to and from and within **your product wrapper** will form part of this transfer. In accordance with the relevant FCA rules that regulate client money and are contained in the Client Assets Sourcebook part of the FCA Handbook:-
- a These **Terms and conditions** are the agreement between **you** and **us** to allow such a transfer to take place;
  - b Any money transferred is transferred on terms which require the other person to return **your** transferred sums to **you** as soon as practicable at **your** request in accordance with these **Terms and conditions**; and
  - c Any client money that is transferred and that is covered by the **client money rules** in the FCA Handbook will be:
    - i held by the other person for **you** in accordance with the relevant **client money rules** contained in the FCA Handbook; or
    - ii if not held in accordance with a), **we** will exercise all due skill, care and diligence in assessing whether the other person to whom **your cash facility** (and any other account) is transferred will apply appropriate measures to protect these sums.

13.10.2 If **we** transfer **our** business and this clause applies, **we** will provide information to **you** in accordance with any relevant legislative or regulatory requirements. These **Terms and conditions** will still continue to apply to **your product wrapper**.

# Product wrapper specific terms

In the following sections A and B you will find terms that specifically relate to the individual product wrappers.

## Section A – the Retiready Individual Savings Account (ISA)

### 1 Opening a Retiready ISA

- 1.1 To be eligible to make subscriptions to an ISA that are not **additional permitted subscriptions**, **you must**:
- be an individual; and
  - be aged 18 or over.
  - be resident in the United Kingdom or, if not so resident, be performing duties as a Crown employee serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces, or a diplomat), or be married to, or in a registered civil partnership with, such a person
  - not have subscribed to another stocks and shares ISA in that tax year, except in certain circumstances prescribed by legislation (such circumstances include, but are not limited to, where **you pay only additional permitted subscriptions** to that other stocks and shares ISA); and
  - not have exceeded the overall subscription limit, details of which can be found on **the Service** or from HMRC.
- 1.2 To be eligible to make **additional permitted subscriptions** to an ISA **you must**:
- be an individual;
  - be aged 18 or over;
  - be resident and ordinarily resident in the United Kingdom or, if not so resident, be performing duties as a Crown employee serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces, or a diplomat), or be married to, or in a registered civil partnership with, such a person;
  - have an **additional permitted subscription allowance** that has not been fully used;

- not have made any subscriptions in relation to that **additional permitted subscription allowance** to another ISA manager, and
- be making the **additional permitted subscription** within the **permitted period**.

- 1.3 **You** must provide **us** with any information, evidence and declarations required under the **ISA Regulations** in relation to any subscriptions **you** make or intend to make to **your ISA**. For more information on these requirements, please go to **the Service**.
- 1.4 On **your** first application to make an **additional permitted subscription** to an ISA in relation to an allowance arising from a deceased investor's ISA(s) with **us**, **we** will provide **you** with a statement of the **additional permitted subscription allowance** within 30 days of the day **we** receive all the information and declarations as required by the **ISA Regulations**.
- 1.5 On **your** first application to make an **additional permitted allowance** to an ISA in relation to an allowance arising from a deceased investor's ISA with another ISA manager, **we** will contact that other ISA manager with the timescales set out in the **ISA Regulations** to obtain the information, declarations and undertakings specified in the **ISA Regulations**.

### 2 General

- 2.1 The **ISA Regulations** will take precedence over these **Terms and conditions**.
- 2.2 Aegon Investment Solutions Ltd, an HMRC – approved ISA manager, will undertake to operate **your ISA** in accordance with the **ISA Regulations**. Our registered plan manager number is Z1775.

- 2.3 We will satisfy ourselves that any person to whom we delegate any functions or responsibilities under the **Terms and conditions** agreed with you is competent to carry out those functions and responsibilities.
- 2.4 We must notify you if, by reason of any failure to satisfy the provisions of the **ISA Regulations**, your ISA has, or will, become void.
- 2.5 Your ISA is not a **flexible ISA** as defined in the **ISA Regulations**, until such a time that we inform you that it is a **flexible ISA**.

### 3 Transfers and withdrawals

#### 3.1 Transfers

- 3.1.1 If you instruct us to do so, an ISA, or part of an ISA, shall be transferred to another ISA manager in accordance with the **ISA Regulations** relating to transfers, within the time stipulated by you.
- 3.1.2 We can specify a minimum period which must not exceed 30 days for the time stipulated by you for us to carry out the transfer to another ISA manager. This period is required to allow us sufficient time to carry out the transfer. You will be informed of this minimum period when you request a transfer.
- 3.1.3 If you instruct us to transfer part of your ISA to another ISA manager, current year subscriptions must be transferred in full. As the transfer will be a cash transfer there could be fluctuations in the value of your investments while the sale of your investments is in progress. We will sell an additional 5% of the value of your investments subject to your consent to the oversell. Once we have completed the transfer of part of your ISA, any remaining cash from the oversell not transferred as part of the transfer will remain in your cash facility. If you choose not to oversell then there could be delays to the transfer being made where further sales are needed as the value of your investments has changed during the sell down process.

#### 3.2 Withdrawals

- 3.2.1 If you instruct us to do so, all or part of the **investments** held in the ISA and proceeds arising from those **investments** shall be transferred or paid to you, within the time stipulated by you.
- 3.2.2 We can specify a minimum period which must not exceed 30 days for the time stipulated by you for us to carry out a withdrawal. This period is required to allow us sufficient time to carry out the withdrawal request. You will be informed of this minimum period when you request a withdrawal.

- 3.3 If you have subscribed to a stocks and shares ISA which contains units or shares in a **UK UCITS**, a **non-UCITS retail scheme** or a **recognised UCITS** and dealings in such units and shares have been suspended in accordance with the rules of the **FCA** (or any direct foreign equivalent), the minimum period which is specified by us for transfers and withdrawal requests may be extended to seven days after the suspension ends.

- 3.4 You can instruct us to transfer the **investments** in your ISA that relate to **additional permitted subscriptions** to another ISA manager, but you would have to make any further subscriptions relating to that **additional permitted subscription allowance** to an ISA.

### 4 Subscription levels

- 4.1 Your ISA subscription will take effect on the later of the receipt of the application form or the receipt of the subscription to the ISA.  
To the extent that your subscriptions are not **additional permitted subscriptions**, you are responsible for making sure you do not breach the current ISA subscription levels stated in the **ISA Regulations** for the tax year in which you are investing. To the extent that your subscriptions are **additional permitted subscriptions**, you are responsible for making sure you do not breach the **additional permitted subscription allowance** during the **permitted period**.

- 4.2 In applying for the ISA, **you** are confirming that **you** have not, and will not, breach the **ISA Regulations** and subscription levels. This includes any ISAs that **you** may hold, or intend to open with any other ISA manager. Other than where allowed by the **ISA Regulations** in each tax year, **you** may subscribe to one cash ISA, one stocks and shares ISA, one innovative finance ISA and one lifetime ISA. Where **you** make a transfer of current year subscriptions from one type of ISA to another type of ISA, the subscriptions are treated as if they were made to the receiving ISA so **you** can subscribe to another ISA of the same type as the one from which **you** transferred. This is subject to the overall subscription limits as set out in the **ISA Regulations**.
- 4.3 You may apply to open a **Retiready ISA** depending on **your** eligibility (see clause 1 of this section A).
- 4.4 If **you** make **contributions** in excess of the current levels, as set out in the **ISA Regulations**, or in excess of **your additional permitted subscription allowance**, or if we are so instructed by HMRC, **we** will refund any **contributions** to **you**.
- ## 5 Investments and related information
- 5.1 The permitted investments that **you** can make under **your ISA product wrapper** are set out in **our Retiready investments list**.
- 5.2 The **ISA investments** will be, and must remain, in the beneficial ownership of **you** and must not be used as security for a loan.
- 5.3 The title to the **ISA investments** will be registered in the name of **our nominee company**, except for cash held in the **cash facility** of the **ISA**, or any other account that is used to move money to, from and within the **ISA**, which is held in the name of Aegon Investment Solutions Ltd.
- 5.4 Share certificates or other documents evidencing title to **ISA investments** will be held by **us** or as **we** may direct.
- 5.5 **We** will arrange, if **you** elect, for **you** to receive a copy of the annual report and accounts issued by every company or other concern in respect of **investments** that are held directly in the **ISA**.
- 5.6 **We** are under an obligation (subject to any provisions made by or under any other enactment), if **you** so elect, to arrange for **you** to be able:
- i to attend shareholders', securities holders' or unit holders' meetings
  - ii to vote
  - iii to receive, in addition to the annual report and accounts, any other information issued to shareholders', securities holders' or unit holders'.
- 5.7 A charge may be made for the arrangement of the above (clause 5.6 parts i, ii and iii of this section B).
- 5.8 If instructions are given to purchase any **investment** that does not qualify under the **ISA Regulations**, and those **investments** are purchased, **we** must sell the **investment** as soon as practicable after **we** have identified the non-permissible holding. In such circumstances **you** will be liable for the costs to rectify the matter and will have to bear any losses due to price movement.
- ## 6 Cash held within a stocks and shares ISA
- 6.1 Cash held within **your ISA** will be held in the **cash facility** on deposit with HSBC in accordance with clause 5.3 of Part 1 of these **Terms and conditions**.
- ## 7 Contributions
- 7.1 Minimum **contribution** amounts apply to **regular contributions** and **single contributions** **you** pay to **your ISA**. **You** can see the minimum **contribution** amounts that apply from time to time on the **Service**. **You** must tell **us** the amount of **regular contributions** and **single contributions** **you** want to pay to **your ISA**, including any changes to the **regular contributions** **you** pay by using the relevant section of the **Service**.

- 7.2 Except where **your additional permitted subscription allowance** relates to a deceased investor's ISA, **your** subscription must be in cash. Where **your additional permitted subscription** relates to a deceased investor's ISA with **us** and **you** inherit non-cash **investments** held in the deceased investor's ISA at the date of their death, as long as those non-cash investments have been continuously held by **us** since the date of their death, **you** can ask **us** to make an 'in-specie' transfer to **your ISA**. This means **we** will re-register the **investments** (up to value of **your additional permitted subscription allowance**) into **your ISA**.
- 7.3 **We** will accept the transfer in of existing ISA accounts subject to the minimum initial transfer in value, which is set out on **the Service**.
- 7.4 Where dividends/income/distribution payments are paid as the result of transfer, **we** reserve the right to reject any payments less than £25.

## 8 Withdrawals

**You** can tell **us** to pay a partial withdrawal and/or regular withdrawals from **your ISA** by completing the relevant section of **the Service**. **We** will pay the partial and/or regular withdrawals to **your nominated bank account**.

### 8.1 Partial withdrawals

The minimum amount for a partial withdrawal is set out on **the Service**.

### 8.2 Regular withdrawals

The minimum amount for a **regular withdrawal** is set out on **the Service**. A **regular withdrawal** can be set up to be paid monthly, quarterly or yearly. **Regular withdrawal** instructions will leave the **cash facility** on or around the sixth **business day** of the month.

- 9 **ISA application policy**
- 9.1 **We** operate a continuous **ISA application form**. This means that, once **we** have received and accepted **your** application form, it remains valid for the current year and each subsequent year that **we** receive subscriptions.
- 9.2 If there is a break in subscriptions to **your ISA** of one full tax year, **we** will need a new application form, which must be sent to with any subsequent new subscription.
- 9.3 **We** reserve the right to ask for a new application form for each new tax year.
- 9.4 Where **your ISA** relates to **additional permitted subscriptions**, **your** application will be valid for the duration of the **permitted period**. Your application will remain valid until the end of the **permitted period** whether or not **you** make **additional permitted subscriptions** in each tax year falling with the **permitted period**.

## 10 UK residency

- 10.1 **You** undertake to inform **us** immediately if **you** cease to be resident in the UK or a Crown employee overseas, or become resident outside the UK.
- 10.2 **We** cannot advise **you** of the tax consequences and do not accept any liability for any tax charges or penalties arising from changes of **your** residency. **You** should seek advice from a qualified tax adviser in such circumstances.
- 10.3 If **you** cease to be resident in the UK, or a Crown employee overseas, **you** are required to cease subscriptions into an ISA.

## 11 Void accounts

- 11.1 **We** will manage **your ISA** in accordance with the regulations. **We** will notify **you** if, for any reason, **your** account has or will become no longer exempt from tax.
- 11.2 On notification by **HMRC** of a breach of regulations, **we** will make every effort to repair **your ISA** within the guidance set out by **HMRC**. **We** will confirm in writing the action taken where **your ISA** has been repaired.

- 11.3 If your ISA is voided, we will deduct any cash available to cover any tax we have to pay or repay. If there is insufficient cash in the **cash facility** to cover your liabilities as a result of the ISA being made void, we reserve the right to sell some or all of your **investments** to meet these liabilities.
- 11.4 We will also deduct all outstanding charges due to us in respect of your ISA and any expenses incurred in termination of the ISA will be deducted.
- ## 12 Death of an ISA investor
- 12.1 The tax treatment of your ISA on death will depend on the date of your death, as follows:
- if you die on or before 5 April 2018, your ISA ceases to be tax exempt from the date of your death;
  - if you die on or after 6 April 2018, your ISA will remain tax exempt subject to the provisions of the **ISA Regulations**. This means that from the date of your death **investments** held in your ISA will be regarded as 'administration-period investments' and exempt from income tax and capital gains tax until the earliest of:
    1. the completion of the administration of your estate;
    2. the third anniversary of the date of your death; and
    3. the closure of your ISA by making a full withdrawal.
- 12.2 On notification of your death, we will continue to hold all **investments** held in your ISA together with any cash held in the **cash facility of your ISA** until we receive the formal documentation appointing the legal personal representatives of your estate that is acceptable to us. When we receive this, we will recognise the legal personal representatives of the estate as the persons entitled to provide instructions in relation to the **investments** and cash held in the **cash facility**.
- 12.3 If you die on or before 5 April 2018, any interest on the cash held in this **cash facility** will be paid net of tax. Any investment growth from the date of your death is not exempt from tax. Any tax reclaimed from the date of your death will be deducted by us.
- 12.4 When we receive the documentation formally appointing your personal representatives, we will accept instructions from your personal representatives. We will continue to hold your **investments** together with any cash held in the **cash facility of your ISA** until we receive instructions from your legal personal representatives.
- 12.5 If your ISA has not been closed by the third anniversary of the date of your death then we will sell all investments held in your ISA and move this cash to the cash facility of your GIA. The cash will remain in this GIA until we receive instructions from your legal personal representatives.

# Section B – the Retiready Pension

## Definitions

### 1 General

- 1.1 The Aegon Self Invested Personal Pension Scheme (the **scheme**) is a **registered pension scheme**. It has been established for the purpose of providing pension and lump sum benefits.
- 1.2 The **scheme** is established under a trust deed and **scheme rules**, the **scheme** will be governed and administered according to the **rules**.
- 1.3 Scottish Equitable plc is the **scheme** provider and administrator of the **scheme**. Aegon Pension Trustee Ltd is the trustee of the **scheme**. We will administer the **scheme** in accordance with the **rules** of the **scheme** and these **Terms and conditions**.
- 1.4 When **you** open a **Retiready Pension**, **you** become a member of the **scheme** and, as a member, the **rules** apply to **your Retiready Pension**. You can request a copy of the **rules** of the **scheme**:
- by sending **us** an email through **the Service**; or
  - online through **the Service**.
- Where there is any conflict between the **rules** of the **scheme** and these **Terms and conditions**, the **rules** of the **scheme** will override the conflicting provision in these **Terms and conditions**.
- 1.5 **Retirement age**
- When **you** open a **Retiready Pension**, **you** will have a **retirement age** which will be chosen by **you**. You can alter **your retirement age** at any time.
- We will use **your retirement age** in benefit illustrations that show **you** what **your** benefits might be at that **retirement age**. When **you** are getting close to **your retirement age**, we will send **you** information about putting **your** benefits into payment. You are not required to take **your** benefits at **your retirement age**.
- 2 **Eligibility for the Retiready Pension**
- 2.1 You can apply for the **Retiready Pension** if **you** are 18 years or older.

- 2.2 You can make **contributions** at any time. We will not claim any tax relief under clause 3.4 of this section B for any **contribution** made on or after **you** have reached age 75.
- 2.3 You may only apply for a **Retiready Pension** if **you** are resident in the UK and are a **relevant UK individual**.
- When **you** applied to take out a **Retiready Pension**, **you** will have given a declaration as part of **your** application that **you** meet HMRC rules. This declaration is that:
- **you** will inform **us** if **your** total contributions to all UK **registered pension schemes** (schemes that attract tax relief) in respect of which **you** are entitled to tax relief exceed:
    - a **your relevant UK earnings**; or
    - b £3,600, if **your relevant UK earnings** are less than £3,600.
  - if **you** are no longer entitled to tax relief on **your contributions**, for example if **you** move out of the UK for tax purposes or lose eligibility for tax relief on any **contributions** that **you** pay to **your Retiready Pension** (because **your** earnings have reduced), **you** will inform **us** no later than the later of:
    - a 30 days after the change, and
    - b the 5 April at the end of the tax year when **your** circumstances change.

You should check information that **we** send **you** to ensure that all of **your** personal details are correct and contact **us** if there is anything wrong in **your** personal details:

- by sending **us** an email through **the Service**; or
- online through **the Service**.

The granting of **tax relief** is a matter between **you** and HMRC. What follows is a description of some of the provisions that may apply in connection with that **tax relief**, and is set out just for information purposes. You should check **your** actual position and proceed accordingly.

Tax relief will only be available in respect of **contributions** under this clause 2, paid during a tax year if **you** are a **relevant UK individual** for that year.

You are a **relevant UK individual** for a tax year if at least one of the following applies:

- you have **relevant UK earnings** chargeable to income tax for that year;
- you are resident in the UK at some time during that year;
- you were resident in the UK both at some time during the five tax years immediately before that year and when **you** became a member of the **scheme**; and
- **you**, or **your** spouse or registered civil partner, has for the tax year general earnings from overseas Crown employment subject to UK tax (such earnings being as defined in section 28 of the Income Tax (Earnings and Pensions Act 2003)).

**Contributions** in a tax year in excess of £3,600 or **your relevant UK earnings** if higher, will not receive tax relief.

**2.4** Neither **you**, nor any third party involved in the transactional activity are subject to financial sanctions issued by the United Kingdom or United States of America. Should **you** become subject to such financial sanctions, **we** reserve the right to terminate **your Retiready Pension** with **us**, with any attendant costs or penalties borne by **you**.

### **3 Contributions to the Retiready Pension**

**3.1** **Contributions** can only be made by **you**. You must tell **us** the amount of **regular contributions** and **single contributions** you want to pay to **your Retiready Pension**, including any changes to the **regular contributions** **you** pay, by using the relevant section of the **Service**.

**3.2** Minimum **contribution** amounts apply to **regular contributions** and **single contributions** you pay to **your Retiready Pension**. You can see the minimum **contribution** amounts that apply from time to time on the **Service**.

**3.3** There is no maximum **contribution** that can be paid into **your Retiready Pension**. However, **contributions** in excess of **your current annual allowance**, as defined by HMRC, may attract a tax charge.

**3.4** **We** will claim basic rate tax relief on all new **personal contributions** made to **your Retiready Pension**, other than **contributions** made on or after **you** have reached age 75. If **you** are a Scottish tax payer **we** will claim tax relief on all new personal **contributions** made before **your** 75th birthday to **your Retiready Pension** using the Scottish basic rate of income tax. The gross amount of such **contributions** (this is the net amount of the **contributions** **you** paid, together with the tax relief that **we** claim) will be placed within **your cash facility** and invested in line with **your** instructions.

**We** may have to repay any tax relief (and pay interest on that tax relief) to HMRC because a **contribution** **you** paid to **your Retiready Pension** does not qualify for tax relief. Where this is the case, **we** will sell the relevant number of **units** in the **Retiready Insured Fund** to realise the sum to be paid to HMRC.

**3.5** **We** accept no liability for any tax charges or penalties resulting from **contributions** made to **your Retiready Pension**. **We** will deduct the amount of any such charge, fine or claim from **your Retiready Pension cash facility** without needing **your** consent to do so. If there are insufficient funds in **your cash facility** to cover any such charge, fine or claim **we** will sell the **investments** in **your Retiready Pension** in accordance with clause 5.4 of the general section to the extent necessary to cover such charge, fine or claim. If the value of the **investments** in **your Retiready Pension** is insufficient to cover the amount of such charge, fine or claim **you** agree to pay any outstanding amounts to **us**.

**3.6** **We** will not be liable in the event that **we** are unable to proceed with an **investment** due to an error or omission of a payment/payment schedule from a third party or due to any delay in a **contribution** or transfer reaching the **cash facility**.

**3.7** New **contributions** to the **Retiready Pension** must be paid by cash.

- ## 4 Permitted investments
- The permitted investments that **you** can make under your Retiready Pension product wrapper are set out in our Retiready investments list.
- ## 5 Transfers in
- 5.1 We can accept transfers from certain types of UK **registered pension schemes**, as set out in the Service, including pension credits that are granted on divorce. We are under no obligation to accept any transfer request from **you**. The minimum amount of the transfer payment that can be applied to your Retiready Pension is set out on the Service.
- 5.2 To transfer an existing pension to your Retiready Pension, you must complete the relevant transfer section on the Service.
- 5.3 It is **your** responsibility to make sure that the trustees, scheme administrator or provider of the existing scheme or pension will allow the pension to be transferred to your Retiready Pension.
- 5.4 We accept no liability for any penalties, charges or liabilities arising from the transfer of an existing pension.
- 5.5 We will only accept transfers in cash.
- 5.6 Each transfer will be invested in accordance with your investment instructions.
- ## 6 Block transfers
- 6.1 The **scheme** will inherit the scheme protection being block transferred.
- 6.2 You may only apply a **block transfer** if you have not held a pension plan under the **scheme** within the last 12 months (that is, a Retiready Pension, an Aegon SIPP under Aegon Retirement Choices or a One Retirement pension).
- 6.3 For a **block transfer** to take place, at least two investors in the scheme being transferred must transfer all their benefits under that scheme to the **scheme** at the same time.
- 6.4 At least one of the **clients** in a **block transfer** must have a scheme protected low pension age or protected **pension commencement lump sum**.
- 6.5 All **your** pension benefits (**block transfer** plus others) under the **scheme** must **crystallise** on the same day for scheme protection to apply.
- 6.6 Only one scheme protected pension **commencement lump sum block transfer** is allowed for each **client**. Any additional transfers of the same type will lose their protection. If a **client** has an existing arrangement under the **scheme** (for example, a pension under Aegon Retirement Choices or One Retirement) with a retirement age of 55 (or above), that retirement age will not be reduced as a result of a **block transfer** with a **protected low pension age** being paid to a Retiready Pension.
- ## 7 Transfers out
- Clause 10.2 of the general section details the general provisions for transferring out. That clause is qualified by this clause 7, of this section B for your Retiready Pension.
- 7.1 Where **you** are transferring your Retiready Pension, on receipt of a valid transfer request from the trustees or scheme administrator of a **registered pension scheme** or QROPS, Retiready will transfer out your investments from your Retiready Pension, this will involve the sale of all **investments**. However, we are entitled to delay or refuse any transfer unless we satisfy ourselves that we can make the transfer from a legal and regulatory perspective and have received any discharge that we require.
- 7.2 We will complete all transfers out as soon as reasonably practical after receipt and acceptance of the relevant paperwork from your new scheme provider and you complying with these **Terms and conditions**, including providing us with a fully and correctly completed discharge form.
- 7.3 We will transfer your investments to your new pension provider in cash.
- 7.4 Retiready will make no charge for transferring out your Retiready Pension.

- 8 Retirement benefits and the lifetime allowance**
- 8.1** You may only start taking retirement benefits from the age of 55 or a protected low pension age or due to serious ill health, in line with the rules. We reserve the right to allow you to continue with **uncrystallised investments** after your 75th birthday if you and we agree and it is allowed in terms of the rules.
- 8.2** When you choose to have a **benefit crystallisation event**, you must designate all or part of the investments within **your Retiready Pension product wrapper** to purchase an annuity with another provider, unless you are transferring to a QROPS.
- 8.3** The amount being used to provide benefits will be tested against **your available lifetime allowance**. If **your available lifetime allowance** is exceeded, the excess will be subject to a **lifetime allowance** charge, as determined by HMRC – this will be deducted from **your Retiready Pension** and paid to HMRC. Any charges, penalties or tax payments not paid as detailed in this clause 8, that arise from a breach of the **lifetime allowance** must be met by you.
- 8.4** An instruction to take retirement benefits from **your Retiready Pension** must be made in writing by fully and correctly completing a **benefit crystallisation event** request form and sending the completed form to us at:
- Retiready Support  
Aegon Digital Solutions  
Sunderland  
SR43 4DL
- 8.5** Where you want to **crystallise** part of **your uncrystallised Retiready Pension**, the value of **your remaining uncrystallised Retiready Pension** must not fall below £1,000. If the remaining **uncrystallised** balance is below £1,000, you will be required to fully **crystallise** all of **your Retiready Pension**.
- 9 Uncrystallised funds pension lump sum**
- 9.1** You can request an UFPLS from the **uncrystallised** part of **your Retiready Pension** at any time from age 55 or earlier if you have a protected low pension age or if you meet the ill-health condition in the Rules. This request must be in a format specified by us from time to time. Details of the current format for a request for an UFPLS and any terms that apply can be obtained from the Service. In addition to any legislative requirements, any request for an UFPLS is subject to such terms as we may impose from time to time including but not limited to providing any information that we reasonably require to process your request, any minimum amount we will pay out as an UFPLS, and any charges we may require to be paid before paying your UFPLS.
- 9.2** We reserve the right to make a charge for processing and paying a request for an UFPLS, or to introduce a charge in general for making payment of an UFPLS. Any charge that we introduce for processing a request for an UFPLS will be introduced in accordance with clause 10.3.3 of the general section. Where we decide to introduce a charge for processing a request for payment of an UFPLS, we will tell you of our charges at the point of making such a request.

## 10 Pension commencement lump sum

- 10.1 Where **you** are buying an annuity, you may elect to receive part of **your Retiready Pension** that is **crystallising** as a **pension commencement lump sum**. This would reduce the amount available to provide an annuity.
- 10.2 Where **your Retiready Pension** is held either wholly or in part in respect of pension credit rights that were payable on divorce, the payment of any **pension commencement lump sum** will be restricted, where necessary, in accordance with legislation relating to pension sharing orders.

## 11 Age 75

- 11.1 Any **uncrystallised investment** held before **your** 75th birthday will remain **uncrystallised** on and after **your** 75th birthday until **you** take **your** benefits under clause 12 of this section B. Any **uncrystallised investment** will be tested against **your lifetime allowance** on **your** 75th birthday.
- 11.2 During the 12 months leading up to **your** 75th birthday, **we** will endeavour to contact **you** to inform **you** of the options available to **you** at that time and to obtain **your** instructions.  
If **we** cannot contact **you** or **you** have not given us an instruction, by **your** 75th birthday, **your investments** will remain **uncrystallised**.
- 11.3 We will calculate and deduct any applicable tax from **your Retiready Pension** in line with the **rules** and **HMRC** rules applicable at the time.

## 12 Annuity purchase

- 12.1 If **you** want to buy an annuity, another provider must agree to set up the contract or policy and must agree to provide the annuity.
- 12.2 On receipt of a valid instruction, **we** will arrange for the purchase price of the annuity to be paid to the provider of **your** annuity. The purchase price will be obtained through the sale of **investments** in **your Retiready Pension**.
- 12.3 The annuity to be paid must be allowed by the **rules**.
- 12.4 **We** are not liable for any acts or omissions of another provider that **you** or **your dependant** choose.

## 13 Death benefits

- 13.1 **We**, as the scheme administrator, will pay all or part of the death benefit available in line with the **rules**.
- 13.2 On notification of the death of the **Retiready Pension** investor and after we have been provided with satisfactory evidence of death, the following options are available, all as detailed in the **rules**:
  - i annuity purchase for dependants and/or
  - ii lump sum to beneficiariesUnless **we** have a written direction from **you** to purchase or provide an annuity for a named **dependant**, **we** will sell the **investments** as soon as **we** are able after **we** receive notification of **your** death.
- 13.3 On receipt of satisfactory evidence of **your** death, where an **uncrystallised funds lump sum death benefit** is payable, **we** will pay the **uncrystallised funds lump sum death benefit** on the basis set out in the **rules**.
- 13.4 Accidental death benefit
  - 13.4.1 Where **your Retiready Pension** has a **start date** of on or before 19 March 2018, **we** will pay an **accidental death benefit**, as set out in this clause 13.4, if **you** die within the period specified in clause 13.4.2 of this section B and where all of the terms in clause 13.4.4 of this section B are met. No **accidental death benefit** is payable in respect of **Retiready Pensions** with a **start date** of 20 March 2018 or later.
  - 13.4.2 If you have **accidental death benefit**, cover for **accidental death benefit** begins on the **start date** and ends on the earlier of:
    - a five years from the **start date**

- b where, on the **start date**, there is less than five years until **your retirement age**, cover for **accidental death benefit** will stop on the day immediately before **your retirement age** that applies on the **start date**. To avoid any doubt, if **you** subsequently change **your retirement age**, cover for **accidental death benefit** will still stop on the day immediately before **your retirement age** that applies on the **start date**
  - c **your 75th birthday**
  - d the day on which all remaining **investments** are either **crystallised** or transferred out of **your Retiready Pension**.
- 13.4.3 If you have **accidental death benefit**, the terms that apply are as follows:
- a The amount of **accidental death benefit** we will pay is 10% of the total amount of all **contributions** and transfers into **your Retiready Pension** paid to **your Retiready Pension** from the **start date** to the day immediately before the date of **your death**.
  - b The **accidental death benefit** shall be paid as an **uncrystallised lump sum death benefit** as set out in clause 13.2 of this section B.
- 13.4.4 The terms referred to in clause 13.4.1 of this section B are as follows:
- a In good faith, **we** consider that the cause of **your death** is an **accidental death**, which did not arise directly or indirectly from any of the following causes:
    - An accidental bodily injury that occurred before the start date.
  - **Alcohol or drug abuse**  
We will not pay an **accidental death benefit** if **your death** results from or is directly related to alcohol or drug abuse.
  - **Flying (other than as a passenger in a commercially licensed aircraft)**.  
We will not pay an **accidental death benefit** if **your death** occurs while taking part in any flying activity other than as a passenger in a commercially licensed craft.
  - **Participating in a hazardous sport or pastime**.  
We will not pay an **accidental death benefit** if **your death** occurs while taking part in (or practising for) boxing, caving, climbing, horse-racing, jet skiing, martial arts, mountaineering, off-piste skiing, pot-holing, power-boat racing, underwater diving, yacht racing or any race, trial or timed motor sport.
  - **A self-inflicted injury**  
We will not pay an **accidental death benefit** if **your death** occurs as a result of intentional self-inflicted injury.
  - **Any action taken by you, without due regard for your own safety**,
  - **Criminal Activity**  
We will not pay an **accidental death benefit** if **your death** is as a result of your participation in a criminal activity.
  - **Suicide**  
We will not pay an **accidental death benefit** if **your death** is as a result of **your own actions** (whether or not at the time of such action **you** were sane or insane), or

- War and civil commotion  
We will not pay an accidental death benefit if your death results from any of the following: war, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion.
- b We receive the evidence and information concerning the circumstances of your death that we ask for.

## 14 Dependant's annuity

Where we are to buy an annuity for your dependant on the basis set out in the rules, the value obtained when the investments are sold will be used to buy an annuity in line with the rules.

## 15 Lifetime allowance charge

- 15.1 HMRC may apply a lifetime allowance charge as set out in section 214 of the Finance Act 2004. Where it is to be deducted from your Retiready Pension, we will deduct from your cash facility an amount equal to the lifetime allowance charge on the basis set out in clause 15.2 of this section B. The amount deducted will either be paid to HMRC or, where the lifetime allowance charge has already been paid by us, it will be retained by us for our own use. Please note that a lifetime allowance charge may apply to any death benefits that are payable from your Retiready Pension. In that case, the recipients of the uncrystallised funds lump sum death benefit are liable to pay the lifetime allowance charge to HMRC.
- 15.2 We will recover the lifetime allowance charge by taking this from the cash facility or, if there are insufficient funds in the cash facility, by carrying out a forced disinvestment to pay for the lifetime allowance charge.

## 16 Divorce

- 16.1 If we receive a pension sharing order and are to make a payment under this, we will pay the pension debit from the cash facility to the qualifying arrangement. If there is an insufficient balance in your cash facility to pay the pension debit, we will carry out a forced disinvestment to enable the full pension debit to be paid.
- 16.2 If you are in receipt of a pension credit, you can transfer this pension credit to your Retiready Pension as a transfer in.

## Part 2

# Retiready Insured Funds Policy

Here is what you need to know about the policy of insurance where you open a Retiready Pension and invest in insured funds, provided by Scottish Equitable plc.

## Introduction

**You** have taken out a Retiready Pension with Retiready, a brand name of Scottish Equitable plc. This booklet of policy conditions sets out the terms on which **we**, Scottish Equitable plc, issue **you**, the member, with a policy of insurance within **your** Retiready Pension. **You** should read this booklet together with **your** contractual documents and any document **we** give **you** that makes changes to **your** policy.

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## 1. Definitions and interpretation

- 1.1 In this booklet and the rest of **your policy**, **we** use some words and phrases that have particular meanings. **We** call these defined terms. 'We'/'us'/'our' refers to Scottish Equitable plc. 'You'/'your' refers to the **member**.
- 1.2 If you see a word or phrase in **bold** in this booklet, this word or phrase is a defined term and its meaning is set out below:
- Arrangement** has, during **your** lifetime, the meaning set out in the **rules**.
- Business day** means any full day on which banks, investment managers and the London Stock Exchange (LSE) are open for business.
- Cash facility** means the untraded cash account that is set up for and within **your Retiready Pension** for the movement of money to and from, and within, **your Retiready Pension**.
- Cash-in value** means the total value at **unit** price of the **units** being cashed in.
- Confirmation of application** means the document called 'Confirmation of application' that **we** issue to **you** or any additional, amended or updated version of it that **we** issue at a later date.
- Confirmation of investment – contract note** means the document called 'Confirmation of investment – contract note' that **we** issue to **you**.
- Deed** means the deed or declaration of trust establishing the **scheme** and any amendment or modification to it that is made at any time and from time to time. If **you** ask **us** for a copy of the **deed**, **we** will give **you** the version that applies at that time.
- Dependant** has the meaning set out in the **rules**.
- Fund benchmark** means the relevant measure that a **Retiready insured fund** is being compared to with respect to the management or performance as described in the **Retiready insured fund**.
- Fund management charge** is described in condition 8.1.
- Head office** means **our** head office which may change from time to time.
- HMRC** means HM Revenue & Customs.

**Liabilities and expenses** are described in condition 9.

**Lifestyle fund** means a fund that uses a two-stage investment strategy. In the early years, they are designed to grow your pension fund. In the second stage, during the last few years before you retire, these funds are designed to automatically change your mix of investments to those better suited to meeting retirement needs. These are more fully described in condition 4.5.

**Member** means the member named in **your Confirmation of application**.

**Policy** means and is made up of:

- this booklet;
- **your Confirmation of application** and first **Confirmation of investment – contract note**; and
- any additional document **we** give **you** that makes a change to this booklet and/or makes changes to **your Confirmation of application**.

**Retiready insured fund** means the Scottish Equitable insured funds we make available to **your Retiready Pension**. **We** describe these in condition 4.

**Retiready Pension** means the **Retiready Pension** that **you** have as a **member** of the **scheme**.

**Retirement age** means the age within **your Retiready Pension** that has been specified as such in accordance with **your Terms and conditions**.

**Rules** mean the rules of the **scheme**.

**Scheme** means the Aegon Self Invested Personal Pension Scheme established by a Declaration of Trust executed by Scottish Equitable plc on 30 September 2011 and any amendments that are made from time to time.

**Start date** is set out in **your Confirmation of application**. It means the date when **your policy** started.

**Terms and conditions** means the documents that set out the **Terms and conditions** of **your use of the Service** and that govern **your Retiready Pension**.

**The Service** means the service provided by **us** for **you**, to manage **your investments** within **your product wrappers**; it may also include other services that **we** provide within, or related to, **your product wrappers**.

**Uncrystallised funds lump sum death benefit** has the meaning set out in the **rules**.

**Unit** means one, or part of one, of the notional **units** of equal value that **we** divide each **Retiready insured fund** into.

**Unit price** in relation to a whole **unit** of a **Retiready insured fund**, means the **unit price** calculated in line with 5.4.

**Wound-up Retiready insured fund value** is described in condition 4.4.4.

- 1.3 Where **we** use the masculine form of a word, it also includes the feminine. The opposite also applies.
- 1.4 Words in the singular include the plural. The opposite also applies.
- 1.5 Where **we** refer to a piece of legislation, **we** are also referring to any amendment or re-enactment of the legislation. **We** also refer to any regulations made under the legislation, and that includes any corresponding provisions in force in Northern Ireland.

## 2. Overriding provision

The terms of **your policy** are subject to being allowed by the **deed** and **rules**.

No term of **your policy** shall override/take precedence over any provision of the **deed** and **rules** unless **we tell you** that a term of **your policy** is to override/take precedence over a provision of the **deed** and **rules**.

## 3. Deemed creation, cancellation and allotment of units

**We** do not actually have to create or cancel any **units** of any **Retiready insured fund**, or to allot any **units** to **your policy**. Instead, **we** may deem these **units** as having been created, cancelled or allotted. This is for accounting purposes on **our** computer systems.

The **unit price** of these deemed **units** will be the same as the **unit price** of the actual **units** at the relevant times. Where **we** refer to the creation, cancellation or allotment of any **units**, this includes the deemed (or notional) creation, cancellation or allotment of these **units**.

4. **The Retiready insured funds**
  - 4.1 **Retiready insured funds**

The **Retiready insured funds** will consist of any **Retiready insured funds** that **we** agree are available to **your policy**. If **you** want to see a description of the **Retiready insured funds**, you can get one on **the Service**.
  - 4.2 **You** can see how the **Retiready insured funds** operate in conditions 4.3 to 4.7. Additional terms apply to certain **Retiready insured funds**.
  - 4.3 **Our powers relating to the Retiready insured funds**

Regardless of the name and description of each of the **Retiready insured funds**, and where UK law and regulation allows, **we** have power to:

    - a acquire and hold, for the **Retiready insured funds**, investments and assets of any kind
    - b borrow money for any of the **Retiready insured funds**
    - c use as security any asset of the **Retiready insured funds**, and
    - d change the objectives of the **Retiready insured funds**, but only where the change would not materially alter the risk profile of the **Retiready insured funds**.

## 4.4 Closing and winding up a Retiready insured fund

- 4.4.1 a During the lifetime of your Policy we may need to close, wind up or remove **Retiready insured funds** for a variety of reasons. When we decide to close, wind up or remove a **Retiready insured fund**, we will act reasonably and take account of all our policyholders' interests. The reasons for closing, winding up or removing a **Retiready insured fund** may include but are not limited to:
- the manager of the underlying **Retiready insured fund** tells us that the underlying **Retiready insured fund** is to close;
  - it is no longer cost effective to keep the **Retiready insured fund** open;
  - we consider that for **Retiready insured funds** of a small size the total cost of the **Retiready insured fund** is too high for policyholders;
  - we are told about a change in management approach or corporate strategy by the manager, or a change in manager of the underlying **Retiready insured fund** that we reasonably believe may impact on the ability to manage the underlying **Retiready insured fund** in accordance with our objective;
  - we think that the **Retiready insured fund** may not be able to meet its objectives in future;
  - responding to underlying **Retiready insured fund** manager changes;
  - operational constraints such as a failure to meet minimum **Retiready insured fund** size or change to operational complexity; and
  - **Retiready insured funds** may close, merge or change as a result of our commercial or strategic decisions.
- b For the purposes of this condition an underlying **Retiready insured fund** means an external **Retiready insured fund** in which our **Retiready insured fund** is invested.

## 4.4.2 Closing a Retiready insured fund

- a We have the right to close a **Retiready insured fund**. If you hold units in that **Retiready insured fund**, we will normally give you at least 60 days' notice that we are going to do this. However, where the underlying reason for closing the **Retiready insured fund** is outside of our control and means that we are unable to give you this amount of notice, we will tell you as soon as reasonably practicable.
- b We will not issue any further **units** in a **Retiready insured fund** that is closed but it will continue to exist until it is wound up or the last of its **units** is cancelled.
- c Until we wind up a **Retiready insured fund** that is closed, or the last of its **units** is cancelled, we may re-open that **Retiready insured fund**. If you hold **units** in that **Retiready insured fund**, we will tell you that we have done this.

## 4.4.3 Winding up a Retiready insured fund

- a We have the right to wind up a **Retiready insured fund**. If you hold **units** in that **Retiready insured fund**, we will give you at least 60 days' notice that we are going to do this. However, Where the underlying reason for closing the **Retiready insured fund** is outside of our control and means that we are unable to give you this amount of notice, we will tell you as soon as reasonably practicable.
- b When we are in the process of winding up a **Retiready insured fund**, we will either:
  - sell the assets of the **Retiready insured fund**; or

- transfer the assets of the **Retiready insured fund** to another **Retiready insured fund(s)** for an amount equal to a fair market value that we reasonably believe we could sell them for, less any actual or estimated liabilities and expenses.
  - c When we have either sold or transferred all of the assets, we will cancel all of the **units** in that **Retiready insured fund**. Before we cancel the **units**, we will calculate the value of all **units** that remain in that **Retiready insured fund**. We will do this by taking the total amount from the sale or transfer and deducting an amount we estimate covers all outstanding liabilities and expenses. This will give the wound-up **Retiready insured fund** value. We will then wind up the **Retiready insured fund**.
  - d Your share of the wound-up **Retiready insured fund** value will equal the number of **units** held by you immediately before the **Retiready insured fund** is wound up, divided by the total number of **units** in that **Retiready insured fund** at that time. We will apply your share of the wound up **Retiready insured fund** value (which will be a percentage of the wound-up **Retiready insured fund** value) to allot **units** in other **Retiready insured funds** to your **Policy** at the **unit price** of those **Retiready insured funds**. We will do this in accordance with your instructions. If you do not give us any instructions before the **Retiready insured fund** is wound up, we will allot **units** in the **Retiready insured funds** we set out in the notice telling you that we are going to wind up the **Retiready insured fund**.
- 4.4.4 Removing a **Retiready insured fund** from your **Policy****
- a You have a range of **Retiready insured funds** available under your **Policy**. We can remove a **Retiready insured fund** from those available to you under your **Policy**. We can do this in the same circumstances as detailed in 4.4.1 (a) above. In addition, some of the **Retiready insured funds** we provide are only available in certain circumstances. Where those circumstances change, those **Retiready insured funds** may no longer be available under your **Policy** and this condition will apply.
  - b Where a **Retiready insured fund** is removed from the **Retiready insured funds** available under your **Policy**, we will give you the same notice as detailed in 4.4.3(a) above. We will sell your **units** in that **Retiready insured fund** and allot the value of those **units** to other **Retiready insured funds** available to your **Policy** at the **unit price** of those other **Retiready insured funds**. We will do this in accordance with your instructions. If you do not give us any instructions before the **Retiready insured fund** is removed, we will allot **units** in the **Retiready insured funds** we set out in the notice telling you that we are going to remove the **Retiready insured fund**.

**4.4.5 Alternative Retiready insured funds**  
Any alternative Retiready insured fund that we nominate under 4.4.3(d) and 4.4.4(b) above will be a **Retiready insured fund** that we consider closely reflects the make-up of the **Retiready insured fund** that is closed, wound up, or removed. We are not responsible for the new **Retiready insured fund** and are not liable for its performance or suitability. If you do not want to be invested in the alternative **Retiready insured fund** chosen by us, then you must give us alternative instructions as detailed in 4.4.3(d) and 4.4.4(b) above or change your **Retiready insured fund** after the action mentioned in those conditions has taken place.

#### **4.5 Lifestyle Funds**

The **Retiready insured funds** may include funds where we automatically change the underlying investments over a defined glidepath to target a particular outcome. These funds may be designated a **Lifestyle fund**, a workplace target fund or another designation where the description will make clear the fund operates with a glidepath. The purpose of such a glidepath is to move **your** investment into the retirement fund or a similar fund at a particular date. This date is the retirement age that is specified when you open your Retiready Pension.

A **lifestyle fund** invests in a series of **Retiready insured funds** and has an investment strategy designed to change, over a period of time determined by that **lifestyle fund**, from a variety of underlying assets with growth potential to investments better suited to meeting retirement needs. This will be carried out in line with the objectives of that **lifestyle fund**. A **lifestyle fund** does this by moving the value of your investment through three phases:

- growth;
- glidepath; and
- retirement.

Details of the objectives of the lifestyle strategy for any particular **lifestyle fund** and the timings of movement between phases, are detailed in the relevant **lifestyle fund** information that we provide.

For each phase of a **lifestyle fund**, you will have purchased **units** in a **Retiready insured fund**. As you move from one phase to the next, the **units** that you hold in the underlying **Retiready insured fund**, will be cashed in and used to purchase **units** in the underlying **Retiready insured fund** of the next phase within the **lifestyle fund**. If you change your **retirement age**, we will take action to ensure you hold **units** in the **fund** and phase of your chosen **lifestyle fund** that corresponds to your amended **retirement age**. This may require us to sell units in your existing lifestyle fund and purchase **units** in the growth, glidepath or retirement phase of the chosen **lifestyle fund** that targets your amended **retirement age**.

We will do this in accordance with clause 7.12 of your **Terms and conditions**.

We will carry out the required action within 60 days of notification.

In line with all other **Retiready insured funds**, when you instruct **us** to cash in **units** in the **lifestyle fund**, the proceeds will be paid into the **cash facility**. This will not apply where we cash in **units** as part of the move between phases within the **lifestyle fund**.

#### **4.6 Rights in respect of assets of Retiready insured funds**

We will hold the assets that make up any **Retiready insured fund** and any rights relating to them. You have no right to the assets that make up any **Retiready insured fund**.

We will similarly limit the rights of our other policyholders.

#### **4.7 Ownership of the Retiready insured funds**

The **Retiready insured funds** and the assets that make up these **Retiready insured funds** are our absolute property. All assets are or will be registered accordingly. We are not a trustee for you.

#### 4.8 Risks of investment in Retiready insured funds

From 20 March 2018, policies with a **start date** of 20 March 2018 or later will bear all risks associated with investment in the **Retiready insured funds**.

These risks include where **we** reinsure our obligations under the **Retiready insured funds** to a third party and that third party fails to meet its obligations owed to **us**. In such scenarios **you** would bear any losses arising from that third party's failure to meet its obligations.

**You** will bear the risk of the default or fraud of any third party insurer or manager responsible for a **Retiready insured fund**, or any counterparty to any transaction in respect of a **Retiready insured fund**.

If you require further information on this you should contact us via **the Service**.

### 5. Valuing Retiready insured funds and working out unit prices

#### 5.1 Creating and cancelling units

When **we** add cash or any other asset to a **Retiready insured fund**, **we** will create **units** in it equal to the value of the cash or those other assets. When **we** cancel **units** from a **Retiready insured fund**, **we** will take from it cash or other assets equal to the value of **units** cancelled.

#### 5.2 Valuing assets in a Retiready insured fund

5.2.1 **We** will normally carry out a valuation of the assets in a **Retiready insured fund** at least once on each **business day**. **We** value certain assets within a **Retiready insured fund** less often than once each **business day** because daily valuations may not be available for these assets. Such assets include property (for example land, buildings and leaseholds), derivatives and securities that are not quoted on a recognised stock exchange. A derivative is typically a right or an obligation to buy or sell another type of asset – such as a share or a bond – at a set price to someone else at a set date and time in the future.

The set price may turn out to be higher or lower than the market price at that date. The most common types of derivatives are futures and options. Securities include stock, shares and bonds. **We** will value any such assets at least once a month.

5.2.2 There may be circumstances beyond **our** control that stop **us** from valuing assets on any particular **business day**.

5.2.3 Where **we** do not or cannot value an asset in a **Retiready insured fund** at least once on a **business day**, **we** will estimate the value of that asset on that particular **business day**. **We** will take into account changes in the market, any current restrictions or difficulties in trading in such assets and any other circumstance that might affect a valuation. **We** will always act fairly when **we** are estimating the value of an asset under this condition.

5.2.4 When a **Retiready insured fund** is expanding, **we** will value the assets of that **Retiready insured fund** at the market price at which **we** estimate its assets may be bought, including the actual and/or our estimate of the **liabilities and expenses** of buying those assets. A **Retiready insured fund** is expanding when the normal position of that **Retiready insured fund** in the recent past is that more **units** were being bought than sold in that **Retiready insured fund**.

5.2.5 When a **Retiready insured fund** is contracting, **we** will value the assets of that **Retiready insured fund** at the market price at which **we** estimate its assets may be sold, less the actual and/or our estimate of the **liabilities and expenses** of selling those assets. A **Retiready insured fund** is contracting when the normal position of that **Retiready insured fund** in the recent past is that more **units** were being sold than bought in that **Retiready insured fund**.

- 5.2.6 Our estimate of the **liabilities and expenses** of any purchase or sale will be an amount that **we** believe **we** would have incurred in buying or selling the asset at the date of the valuation.
- 5.2.7 The **Retiready insured fund** may change from expanding to contracting, or from contracting to expanding. Where it changes, **we** can change the basis on which **we** value the assets. This is to make sure **we** give fair treatment to:
- a buyers of **units**
  - b sellers of **units**, and
  - c those policyholders who remain invested in that **Retiready insured fund**
- 5.3 When and how we value a Retiready insured fund
- We will value a **Retiready insured fund** on each **business day**. **We** will do this by:
- a adding up the value of its assets as calculated in condition 5.2, and
  - b deducting the actual and estimated **liabilities and expenses**, and **fund management charge**, of that **Retiready insured fund**. To avoid doubt, this does not include the **liabilities and expenses** of buying and selling assets mentioned in conditions 5.2.4 and 5.2.5
- 5.4 Calculating unit price
- We allot **units** to, and cancel **units** from, each **Retiready insured fund** at the relevant **unit price**. We calculate the **unit price** by dividing the value of a **Retiready insured fund** by the number of **units** of that **Retiready insured fund** then in issue. **We** will round the result down or up, as appropriate, by not more than 0.01p.
- 5.5 Exceptional circumstances
- 5.5.1 Exceptional circumstances can affect the valuation of assets in a **Retiready insured fund** and the pricing of **units**. Examples of exceptional circumstances include extreme volatility of market prices around a significant global or national event such as:
- a major terrorist attack;
  - a major political event, for example a coup affecting a strategic market; or
  - a major exchange event.
- 5.5.2 **We** do not know in advance what action **we** will take in any given situation as this will depend on the situation itself and its effect on the valuation of assets and pricing of **units**. **Our** actions will always be reasonable and proportionate to the circumstances.
- Examples of actions that **we** may take include:
- the suspension of creation and/or cancellation of **units** in any **Retiready insured fund**;
  - the suspension of pricing of any **Retiready insured fund**;
  - applying indexation in estimating the value of any **Retiready insured fund**. This means **we** work out how much a **Retiready insured fund's** value will have changed by applying to it an amount that represents the proportionate change in the **fund benchmark** for the period between the date when **we** were last able to obtain a value for the **Retiready insured fund** and the date when **we** are estimating the value of the **Retiready insured fund**; or
  - moving away from a stated investment strategy of any **Retiready insured fund**.

## 6. Purchasing and cashing in units

- 6.1 When a payment is received from the **cash facility**, **we** will apply this by allotting to **your policy** the number of **units** of the relevant **Retiready insured funds** that can be allotted at the relevant **unit price**. Once **we** receive a valid instruction at or before the dealing point, **your units** will be created at the **unit price** on the next **business day**. Where **we** receive your instruction on a day that is not a **business day**, **we** will create those **units** at the **unit price** we calculate on the next **business day**.
- 6.2 You can choose to cash-in **units** under **your policy** and for the sum raised to be applied to the **cash facility**. **We** will cancel the **units**, at **unit price**, that **you** request **us** to cancel. Once **we** receive a valid instruction at or before the dealing point, **your units** will be cancelled at the **unit price** on the next **business day**. Where **we** receive **your** instruction on a day that is not a **business day** **we** will cancel those **units** at the **unit price** **we** calculate on the next **business day**. **We** will make the cancellation of **units** proportionately from all applicable **Retiready insured funds** for which there are **units** under **your policy** unless otherwise agreed between **you** and **us**. The amount **we** will pay to the **cash facility** will equal the **cash-in value** of the **units** cancelled.
- 6.3 Your instruction to purchase or cash-in **units** must be given by **you** using **the Service** or, in exceptional circumstances, should **the Service** not be available, via another media which **we** will inform **you** of.

## 7. On your death

When **you** die and **units** are, at that time, held in the **policy**, the **Terms and conditions** determine how the benefits will be paid from **your Retiready Pension**. When **we** are advised of **your** death, **units** will remain within the **Retiready insured funds** until **we** are instructed to cancel those **units**. When **we** are instructed to cancel those **units**, they will be cancelled in line with condition 6.2 and paid to the **cash facility**.

## 8. Charges

### 8.1 Fund management charge

- 8.1.1 **We** will take a **fund management charge** from each of the **Retiready insured funds**. **We** will take it daily at a rate of one 365th of a percentage of the value of each **Retiready insured fund** on that day.
- 8.1.2 **You** can ask **us** for details of the percentage that applies to any particular **Retiready insured fund**.

### 8.2 Annual charge

There is an annual charge for **your Retiready Pension**, which is calculated in line with **your Terms and conditions**. Part of this annual charge relates to, and is chargeable under this **policy**. Any portion of the annual charge that relates to **Retiready insured funds** that are held through this **policy** is a charge that arises under this **policy**. This annual charge is deducted from **your cash facility** and paid to Scottish Equitable plc as the provider of this **policy**.

### 8.3 Changing charges

- 8.3.1 **Your policy** is regarded as long-term business. During its lifetime, **we** may need to change **our** charges set out in Conditions 8.1 and 8.2. A change to our charges means:
- levying new types of charges;
  - setting minimum charge amounts;
  - removing charges; or
  - varying the level of an existing charge.

- 8.3.2 Where we feel it is necessary to change our charges we will only do so for one or more of the following valid reasons:

- i. to reflect changes in market conditions and general industry practice relevant to **the Service** and **your policy**, which result in an increase to our costs;
- ii. to take account of changes to the law, codes of practice or the way in which we are regulated or, changes to the way in which we or you, are taxed;

- iii. to reflect any changes to the way in which we provide our services, including changes in the technology we use to provide our services , **product wrappers** and **your policy** to you;
  - iv. to reflect increases in the cost of providing our services to you, for example, staffing or technology costs;
  - v. to take account of a decision by a court, ombudsman, regulator or similar body; and
  - vi. to allow for a charge to increase each year in line with the consumer price index or any replacement of this index. (The consumer price index is an official method of calculating inflation in the UK. It is a measure of the cost of living and reflects changes in the general price level.)
- 8.3.3** Where we levy a new type of charge or where we vary the level of an existing charge, we will set the amount at a level we believe is not excessive, and we will exercise this right and provide you with notice of the change as set out in condition 11, including details of the change and date on which it will become effective.
- 8.3.4** If you are unhappy with a change to our charges you have the options set out in condition 12 below, including the right to terminate your use of the **Service**, close your **products wrappers** and **your policy** without additional charge.
- 8.4 General**
- 8.4.1** Unless **we tell you** something different in this booklet, **we** will take the charges detailed in this condition 8 from the **cash facility**, by cancellation of such **units**, at **unit price**, as is necessary to meet the charges.
- 9. Liabilities and expenses of the Retiready insured funds**
- 9.1** From time to time and where appropriate **we** will pay the following **liabilities and expenses** from each of the **Retiready insured funds**:
- 9.1.1** the expenses, taxes, duties and other charges incurred in buying, valuing and selling the assets of the **Retiready insured funds**
  - 9.1.2** the expenses and fees of third parties engaged in the assessment of the asset allocation and/or management of the assets of the **Retiready insured funds**
  - 9.1.3** tax payable on, or by reference to, the assets and income of the **Retiready insured funds** or transactions relating to them whether incurred or assessed in the UK or elsewhere
  - 9.1.4** any payment or other liability in respect of money borrowed or raised for the account of the **Retiready insured funds**
  - 9.1.5** any expenses, taxes, duties, levies or other charges incurred in connection with the **Retiready insured funds** and not previously taken into account.
- 10. Deferring the cancellation of a unit**
- 10.1** When **we** are instructed to cancel **units** in a **Retiready insured fund**, **we** may have to sell underlying assets of a **Retiready insured fund**.
- 10.2** Where this happens, **we** may have to defer the cancellation of **units** as follows:
- 10.2.1** Where **you** hold a **Retiready Pension** on or before 30 June 2020 the following deferral periods will apply:
    - a** Where the **units** are **units** in a **Retiready insured fund** that is invested in whole or part in real/heritable property, for example land, buildings and leaseholds, **we** may defer the cancellation of **units** for up to 12 months.
    - b** Where the **units** are **units** in any other **Retiready insured fund**, **we** may defer the cancellation of **units** for up to one month.

- 10.2.2 Where **you** open a **Retiready Pension** on or after 1 July 2020 then **we** may defer the cancellation of **units** in any **Retiready insured fund** for up to 12 months.
- 10.3 We can defer the cancellation of **units** where:
- 10.3.1 there is not enough cash held in the **Retiready insured fund** to pay for your cash-in or payment
  - 10.3.2 **we** reasonably consider that there is likely to be not enough cash held in the **Retiready insured fund** to pay for expected future cash-ins or payments by **you** and other holders of **units** in that **Retiready insured fund**. We will base **our** consideration of this on current and expected trends for cash-ins or payments from that **Retiready insured fund**
  - 10.3.3 the effect of an immediate sale of assets of the **Retiready insured fund** needed to pay for cash-ins or payments may, in **our** reasonable opinion, result in **us** getting lower prices for the sale of those assets than if a sale of those assets had taken place within a normal timescale for the sale of such assets
  - 10.3.4 for reasons that **we** cannot control, **we** cannot carry out a sale of assets of the **Retiready insured fund** required to pay for the cash-ins or payments
  - 10.3.5 other holders of **units** of the **Retiready insured funds** may be treated unfairly unless the deferral takes place
  - 10.3.6 the volume of cash-ins or payments requested by holders of **units** in a **Retiready insured fund** is such that **we** cannot process the requests on the normal basis set out in this booklet
- 10.4 When **we** carry out the cancellation of **units**, where it has been deferred, the **unit price** of the **units** will be the **unit price** at the first valuation of the **Retiready insured fund** after the end of the deferred period.
11. **Changes to your policy**
- 11.1 In addition to our right to change your charges under Condition 8.3, we can amend any other element of these **Terms and conditions** from time to time where we consider it necessary to make the change for the following valid reasons:
- a where we consider it will make these **Terms and conditions** easier to understand or fairer to you;
  - b to correct any errors, omissions or inaccuracies in these **Terms and conditions**;
  - c to allow us to provide an improved, more efficient or lower-cost service to you;
  - d to provide additional services, facilities or options to you;
  - e where we need to make changes for the ongoing provision of the services we provide to you but which may operate to your disadvantage;
  - f to vary the minimum contribution or payment amounts, vary the maximum or minimum **policy** value, or vary the withdrawal amounts from your **policy**; or
  - g where:
    - (i) we are required to respond to any changes to legislation or regulations; or
    - (ii) to take account of codes of practice; consumer standards; or any decisions made by a court, ombudsman, regulator or similar body.
- 11.2 Where we are going to amend these **Terms and conditions** for any of the reasons listed in Condition 11.1 (a) to (g) or change our charges under Condition 8.3, we will exercise those powers of amendment in a reasonable and proportionate manner, and will only do so where we provide prior written notice to you. We will provide at least one month's prior written notice of any such amendment unless in doing so would result in **us** being unable to comply with legal or regulatory changes, in which case we will provide you with as much notice as possible.

- 11.3 If you are unhappy with the proposed changes to these **Terms and conditions**, or proposed changes to our charges, you should notify us of this. You have the right to terminate your use of the **Service** and request that we close all your **product wrappers**, including your **policy** and pay the proceeds to your **nominated bank account** or transfer investments, or the proceeds of their sale to another provider, where applicable.
- 11.4 Where you request that we terminate your Retiready Pension and that we close it in accordance with Condition 11.3, this will be carried out at no additional cost to you. However, we will deduct all outstanding charges accrued to the date we notified you of the changes to these **Terms and conditions**. Where you hold a Retiready Pension we are unable to pay the proceeds to you - the proceeds must be paid to another registered pension scheme or **QROPS**.
- 11.5 These **policy** conditions will be superseded by any more recent versions issued, which will incorporate any changes made under this condition.
- 11.6 HMRC registration
- 11.6.1 You have taken out **your policy**, as part of **your Retiready Pension**, to obtain tax reliefs given to pension arrangements registered by **HMRC**.
- 11.6.2 We may use **our** power, in condition 11.1, to change the terms of **your policy** to obtain and keep **HMRC** registration. We may make the change without **your** agreement or the agreement of any person having rights to benefits under **your policy**.
- 11.6.3 One of the beneficial effects of **HMRC** registration is that **we** may refer the funds under **your policy** to 'pension business' (this is defined in section 431B of the Income and Corporation Taxes Act 1988 and, briefly, means that the funds can be invested free from all or some taxes).

If **HMRC** registration is removed, **we** will give **you** as much notice as reasonably practicable and use **our** power, in condition 11.1, to change **your policy** to take account of the switch out of pension business. Alternatively, **HMRC** rules may allow **you** to transfer **your** benefits to another scheme that meets **HMRC** registration requirements.

## 12. Written communications

- 12.1 Unless otherwise directed in this **policy**, please use the contact details shown on **the Service**.
- 12.2 Notices
- 12.2.1 If **you** make a request, instruction or notification under **your policy**, **you** must do this:
- using the details at [www.aegon.co.uk/support](http://www.aegon.co.uk/support); or
  - online through **the Service**.
- We will only accept or act upon it when **we** receive it at Retiready Support. **You** must also send **us** any documents and information that **we** need to carry out **your** request or instruction. All written instructions must be in English and must be clear and easy to understand. No one else is authorised to accept any requests, instructions or notifications on **our** behalf.
- 12.2.2 When **we** write to **you**:
- **we** will treat **our** electronic message as having been received by **you** on the day **we** send the electronic message to the email address **you** have given to **us** on **the Service**; and
  - **we** will treat **our** letter as having been received by **you**, three **business days** after posting our **letter** to **your** last known address.

## 12.3 Electronic messages

The Service is conducted in an online environment. Any electronic message that is given through the Service in this online environment will be treated as a written communication in line with this condition 12. We will tell you within this policy where actions under this policy are not conducted in an online environment. Other parts of the Service, for example some items that we must send to you or you must send to us, and some correspondence may be conducted outside the online environment.

12.3.1 We will treat an electronic message as a written communication received at Retiready Support if:

- a we have told you on the Service that we will accept an electronic message for a specific purpose and your electronic message is for that specific purpose
- b we have told you what type of electronic message we will accept for that specific purpose from time to time
- c we have told you where to send that message

12.3.2 We will treat the message as being received when we receive it at that electronic address. This will be when it enters our system provided that no error message indicating failure to deliver has been received.

12.3.3 We do not guarantee:

- a that any electronic messages sent to or by us will be secure
- b that any electronic messages sent to or by us will be free from interception and/or change
- c the routing of any electronic message or the time of delivery or receipt

We are not liable for any viruses received by you through electronic messaging.

12.3.4 Where an electronic message is sent by you, you are liable for any damage or loss caused either directly or indirectly by the use of the electronic message or in relation to that use.

12.3.5 We can act on an electronic message that we reasonably believe comes from you. We do not need to verify the sender of the message or their authority to send it.

12.3.6 It is your responsibility to make sure that any electronic message you send us is actually received by us. We have no liability for messages sent to an incorrect electronic address.

12.3.7 An electronic message that does not comply with this condition 12.3 is not a valid communication for your policy.

## 13. Law and jurisdiction

13.1 Your policy and all matters connected with it is subject to the jurisdiction of the courts of law in that part of the UK in which we treat it as having been effected. When you apply for your policy, if you tell us in your application that you live in:

- a England, we will treat your policy as having been effected in England
- b Wales, we will treat your policy as having been effected in Wales
- c Scotland, we will treat your policy as having been effected in Scotland
- d Northern Ireland, we will treat your policy as having been effected in Northern Ireland

13.2 When you apply for your policy, if you tell us in your application that you live elsewhere, we will treat your policy as having been effected in Scotland.

13.3 The law that applies to your policy will depend on the country you tell us in your application you live in. When you apply for your policy, if you tell us in your application that you live in:

- a England or Wales, the law of England will apply
- b Scotland, the law of Scotland will apply
- c Northern Ireland, the law of Northern Ireland will apply

13.4 When **you** apply for **your policy**, if **you tell us in your application** that **you** live elsewhere, in other words anywhere other than in England, Wales, Scotland and Northern Ireland, the law of Scotland will apply.

#### 14. Evidence of age, existence and other information

- 14.1 We will only provide benefits under **your policy** if **we** get proper evidence and the information **we** need. This includes evidence of **your** age (for example a birth certificate), **your** continued existence (for example a letter from **your** doctor or solicitor) or **your** death (for example a death certificate).
- 14.2 We will ask for this in good faith and in a reasonable manner. We will always consider the reason why **we** need the information or evidence **we** ask for. We will not ask for evidence or information that is excessive or unreasonably difficult to give **us**.
- 14.3 We will continue to have the right to ask **you** (or **your dependant**) for evidence that **you** (or they) are still alive. If **we** do not receive the required evidence within two months of asking **you** (or them) for it, **we** have the right to stop paying any benefits from **your policy** until **we** receive the required evidence.

### 15. Miscellaneous

#### 15.1 Rights of third parties

You and **we** are the only parties that have a right to enforce any term of this pension contract.

#### 15.2 Transferring ownership of your policy

Your **policy** may not be assigned unless **we** agree.

#### 15.3 Agreement of Scottish Equitable

Where **you** need **our** agreement to do certain things under **your policy**, if **we** agree, **we** will tell **you** in writing in terms of condition 12.2.2.

#### 15.4 Information powers

- 15.4.1 HMRC has powers under the Finance Act 2004 to require information to be given to HMRC concerning some or all aspects or parts of the **scheme** (for example matters relating to tax).
- 15.4.2 In the event that HMRC exercises its powers referred to in condition 15.4.1, **you** shall make all reasonable endeavours to enable the required information to be given in good time and in a manner acceptable to HMRC.
- 15.4.3 To the extent that any fine or charge is imposed on **us** by HMRC as the result of non-compliance with the said powers and results from a breach of **your** obligations set out in condition 15.4.2, **we** will recover from **your policy** an amount equal to the fine or charge by cancellation at **unit price** of such **units** as is necessary to pay for the fine or charge. The cancellation will be made proportionately across the applicable **Retiready insured funds** for which **you** hold **units** under **your policy**.

#### 15.5 Policy payments

Any payment made from **your policy** will be paid in UK sterling only. All payments will be made to the **cash facility**.

#### 16. Termination

No further benefit under **your policy** will be payable after the payment under the **Terms and conditions** of an **uncrystallised funds lump sum death benefit** of the whole of **your Retiready Pension** and/or an annuity being bought for **dependant(s)**, or on **your Retiready Pension** being fully cashed-in or transferred under **your Retiready Pension Terms and conditions**.

Executed on behalf of Scottish Equitable plc at Edinburgh on the date of **our** letter enclosing the original **Confirmation of application**.

## Part 3

# Aegon SIPP Scheme – basic scheme information for a Retiready Pension

This part gives you the basic information you need to know about the Aegon Self Invested Personal Pension Scheme governing your Retiready Pension.

### Important information

All your benefits will be held under the Aegon Self Invested Personal Pension Scheme.

For the purposes of this leaflet, any reference to 'the Scheme' means the scheme set out above.

### Address for enquiries

If you would like any more information about the Scheme, for example details of your rights and benefits under your plan, or want to request a copy of the deeds governing the Scheme and a copy of the rules governing administration of the Scheme, please contact:

The Scheme Administrator  
The Aegon Self Invested Personal Pension Scheme  
Aegon Digital Solutions  
Sunderland  
SR43 4DL

If you have any questions on contribution levels, surrenders, cancellations, transfers or investment decisions, please refer to the Retiready service. If you need advice on any of those matters please get in touch with a financial adviser. If you need to find a financial adviser, you can do this online at Money Helper, <https://maps.org.uk/moneyhelper/>

Our client literature, Terms and conditions, and policy conditions booklet explain further some of the terms used in this leaflet.

### The Scheme

The Scheme is a personal pension scheme and is registered for tax purposes under Chapter 2 of Part 4 of the Finance Act 2004. The Scheme provides both pension benefits and death benefits.

### Conditions of membership – contributions

The following conditions apply if you would like to join the Scheme and contribute to a Retiready Pension plan.

#### 1. Permitted contributions

The Scheme may accept personal contributions paid by you. Under current tax legislation, a contribution will be eligible for tax relief provided it is paid when you are under age 75, and you are a **relevant UK individual** for the tax year in which it is paid. It must also be within the maximum limit for personal contributions as set out in 2a.

You are a **relevant UK individual** for the tax year if at least one of the following applies:

- you have **relevant UK earnings** chargeable to income tax for that year;
- you are resident in the UK at some time during that year;
- you were resident in the UK both at some time during the five years immediately before that year and when you became a member of the Scheme; and
- you (or your spouse or registered civil partner) have, for the tax year, general earnings from overseas Crown employment subject to UK tax (such earnings are as defined in section 28 of the Income Tax (Earnings and Pensions) Act 2003)

**Relevant UK earnings** covers employment income, schedule D income from carrying on a trade, profession or vocation, and patent income under section 833(5B) of the Taxes Act 1988.

Whether or not you are a **relevant UK individual**, the Scheme may at its discretion accept contributions from you even if not eligible for tax relief.

## 2. Contribution limits and annual allowance

### a Personal contributions

If you are a **relevant UK individual**, you will be eligible for tax relief on any personal contributions up to the greater of 100% of your relevant UK earnings (but see b below) and £3,600 each tax year (this limit applies across all registered pension arrangements that you make contributions to in any tax year).

### b Personal contributions

If your total **pension input amount** (being an amount as defined in Sections 229 to 237 of the Finance Act 2004) in respect of all your registered pension arrangements for any tax year is more than that year's **annual allowance** plus any amount of unused **annual allowance** you can carry forward, you will be subject to a tax charge at the 'appropriate rate'.

The **annual allowance** for each of tax years 2019/2020, 2020/2021 and 2021/2022 is £40,000. You can carry forward unused allowance from the three previous tax years.

### c Tapered annual allowance

If you have an income of £150,000 a year or more (including the value of pension contributions), subject to an income floor of £110,000 (excluding the value of pension contributions) you will have a reduced annual allowance. If you are affected the annual allowance will be gradually reduced so that if you have an adjusted income of £210,000 or more you will be entitled to an annual allowance of £10,000. You can still be carry forward unused annual allowance from the previous three tax years, but this will be restricted to the tapered level in relation to any year in which the taper applies.

### Money purchase annual allowance

The money purchase annual allowance is triggered in certain circumstances when you have received benefits from pension savings, for example where you have taken income from a flexi-access drawdown pension or taken an uncrystallised funds pension lump sum (UFPLS). It is the amount that can be paid in one year to your money purchase arrangements without a tax charge applying. The money purchase annual allowance for each of the tax years 2019/2020, 2020/2021 and 2021/2022 is £4,000. If the money purchase annual allowance provisions apply to you, and during the year more than £4,000 has been paid to your money purchase arrangements under all of your registered pension schemes, a tax charge:

- will apply on the money purchase contributions above £4,000; and
- may apply on the value of any savings made to defined benefit arrangements that are higher than £36,000 plus any carry forward you have available.

Special rules apply in the year that the money purchase annual allowance rules first apply, and different rules apply to final salary pensions. Please speak to your financial adviser for more information. The current 'appropriate rate' is:

- For any part of the excess which, when added to the individual's reduced net income, is within the basic rate limit for the tax year, 20%
- For any part of the excess which, when added to the individual's reduced net income, is more than the basic rate limit for the tax year, 40%
- For any part of the excess which, when added to the individual's reduced net income, is more than the higher rate limit for the tax year, 45%.

If you are a Scottish tax payer the 'appropriate rate' will differ from those rates listed above.

**Pension input amounts** are calculated in different ways depending on the type of scheme or arrangement. In relation to the Scheme, your **pension input amounts** for any tax year will normally be the total contributions paid by you, by another person on your behalf, and your employer, if applicable, to the Scheme in the tax year. From 6 April 2016 your pension input period runs from 6 April to 5 April of the following year. If you think you may be affected by the **annual allowance** charge and want further details about **pension input amounts**, please refer to the Retiready service.

The **annual allowance** limit does not apply to a tax year if you take your benefits in accordance with the severe ill-health condition in that year, nor would it apply for a tax year if you died in that year.

### 3. Contributions and tax relief

Your personal contributions will be paid net of basic rate tax. We will reclaim this, where appropriate, from HM Revenue & Customs. You can claim any higher rate tax relief due to you through your tax return.

If you are a Scottish tax payer we will reclaim tax relief using the Scottish basic rate of income tax. You can claim any higher rate tax relief due to you through your self-assessment tax return.

### 4. Contributions frequency

You can make single contributions to your Retiready Pension by bank transfer (BACs, Faster Payments or CHAPS) or by such other method as Retiready agrees with you.

Contributions paid by you will be applied to your Retiready Pension, as directed by you. The value of the insured policy held under your Retiready Pension, after taking into account any charges and deductions, is available to provide benefits under the Scheme.

### Investment options

Contributions relating to your Retiready Pension may be invested in an insured fund. You can choose one of a small selection of funds which match different risk profiles. You can find out more about the insured fund range on the Retiready service.

The investment option above applies equally to transfer payments to your plan.

### Benefits

#### 1. Benefits and tax relief

Unless you are relying on enhanced protection, as defined in schedule 36 to the Finance Act 2004, there is a limit on the total amount of tax-privileged pension savings you are allowed in **registered pension schemes**.

This limit is called the **standard lifetime allowance**. For the tax year 2014/15 onwards the **standard lifetime allowance** is:

- £1.8 million if you have Fixed Protection 2012;
- £1.5 million if you have Fixed Protection 2014;
- A protected amount which will be greater than £1.25 million but not more than £1.5 million if you have Individual Protection 2014;
- £1.25 million if you have Fixed Protection 2016;
- A protected amount which will be greater than £1 million but not more than £1.25 million if you have Individual Protection 2016;
- £1 million in any other case;
- from the tax year 2018/19 the standard lifetime allowance will increase annually by the Consumer Prices Index (CPI), and
- for tax year 2020/2021 until 5 April 2026 the lifetime allowance will remain fixed at £1,073,100.

The limit applies to benefits built up both before and after 6 April 2006. In certain circumstances, you may be entitled to a higher personal **lifetime allowance**.

With certain exceptions, your benefits will normally be tested against your **lifetime allowance** when they come into payment, whether as a pension or lump sum, on reaching age 75 or on death (see 2 and 3 below). A tax charge of 25% will be applied to any excess above this limit that is to be paid as pension. This increases to 55% if you take the excess as a lump sum. Legislation sets out the rules which determine the amount or value of your benefits to be tested and these ensure benefits are not tested more than once.

When you take your benefits, you will have to tell us the percentage of the **standard lifetime allowance** that you have used previously under any other pension arrangements.

## 2. Taking benefits

The minimum age for taking benefits is 55.

An exception to this is if you are in ill health. If this applies, then subject to the appropriate medical evidence, you may be able to take your benefits earlier (see next page).

Another exception is if a transfer payment is made to the Scheme representing rights held for you in another **registered pension scheme** in respect of which you had a 'protected pension age'. In that case, you may be able to take benefits before age 55 under the Scheme if certain conditions are met.

It may be possible for you to take benefits from your funds on a staggered basis, instead of taking them all at the same time. For further information about this, please consult the rules of the Scheme.

The information below is based on taking benefits from all your funds at the same time.

### a Taking benefits from minimum age

If you opt to buy an annuity then this can be just for you, or you can choose to have an annuity for your surviving spouse, registered civil partner or other **dependant(s)** as well, payable on your death. Annuities may increase each year by, or vary in line with, reference to prescribed factors or indices. They may be paid for a set minimum period of up to 10 years (irrespective of when you die).

When you opt for an annuity you can normally choose at that time to take a tax-free lump sum of up to 25% of your funds. The amount may be restricted because there is a maximum limit for the amount of tax-free cash anyone can take from all their **registered pension schemes**: this limit is 25% of your **lifetime allowance**, up to the **standard lifetime allowance**. In some circumstances, you may be entitled to take more than the above limit as a tax-free cash lump sum, or where your benefits exceed your **lifetime allowance**, you may be able to take the excess as a lump sum instead of as a pension.

If you are age 55, or earlier if you have a low protected pension age or if you meet the ill-health requirements of the scheme, you may be able to take your funds as a lump sum if they are small enough to qualify as being 'trivial'. Please see the rules of the Scheme for details.

### Taking benefits before the minimum age

You can take benefits, as described above, early due to ill health.

You may be able to take all benefits early in lump sum form if you are suffering from serious ill health (in other words, your life expectancy is less than one year). There is no minimum age.

### Taking benefits from age 75

Depending on the terms of your plan, you can choose at any time to use the underlying funds to buy an annuity for you.

#### b No instructions by age 75

If **we** have not received instructions from you by your 75th birthday as to how you would like your funds applied, these will remain uncrystallised until such time as you buy an annuity or take an uncrystallised funds pension lump sum.

## 3. What is paid if you die before taking benefits

The pension fund you build up will usually be paid as a lump sum to:

- the trustees of a trust, if you have set one up for this plan; or
- if a trust does not apply, your beneficiaries, chosen at the Scheme Administrator's discretion, as set out in the rules of the Scheme.

Where you have not set up a trust, then you should notify the Scheme Administrator for guidance of your choice of beneficiaries for the lump sum death benefits (or that part of them not covered by the trust).

If you die before age 75, uncrystallised lump sum death benefits will be tested against the **lifetime allowance**, and the recipients will have to pay a tax charge of 55% on any excess.

If you die on or after age 75, the full amount will normally be taxed at the recipient beneficiary's marginal rate (where the beneficiary is an individual and is not receiving the funds as a trustee, personal representative, company director or partner of a firm), and otherwise at 45%.

#### 4. Transfers

On your written request, the Scheme Administrator may (subject to certain conditions being met):

- accept a cash transfer to your plan from another **registered pension scheme** or recognised overseas pension scheme; and
- transfer your benefits to any other **registered pension scheme** or a **QROPS**.

Transfers to or from your plan will not be tested against your **annual** or **lifetime allowance** at the time that the transfer is made, unless, the transfer is to a qualifying recognised overseas pension scheme.

Different conditions may apply where funds representing pension credit rights from a pension sharing order or provision are being transferred. For further information on transfers, you should consult the rules of the Scheme.

#### The Financial Ombudsman Service

You have the right to refer a complaint to the Financial Ombudsman Service. You can see how they can help on their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). You must contact them within 6 months from the date you've received our final response in relation to a complaint, and their contact details are:

Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
0800 023 4 567 (free from a landline or mobile)  
0300 123 9 123 (calls to this number cost no more than calls to 01 and 02 numbers)  
[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

#### The Pensions Ombudsman

The Pensions Ombudsman may investigate and determine any complaint, or dispute of fact or law, in relation to any pension scheme made or referred to them. You can contact the Pensions Ombudsman at:

10 South Colonnade  
Canary Wharf  
London  
E14 4PU

Telephone: 0800 917 4487

Email:

[enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

Website:

[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

You can also submit a complaint form online:

[www.pensions-ombudsman.org.uk/our-service/make-a-complaint/](http://www.pensions-ombudsman.org.uk/our-service/make-a-complaint/)

#### Money Helper (formerly The Pensions Advisory Service)

Money Helper is available to help members and beneficiaries of schemes with difficulties which they cannot resolve with the Scheme Administrator or administrator. You can contact Money Helper at:

Money Helper  
120 Holborn  
London  
EC1N 2TD

By telephone: 0800 011 3797

Using their online enquiry form at

<https://maps.org.uk/moneyhelper/>

## Value-added tax (VAT)

VAT applies to the buying of a number of goods and services. This includes where those goods and services are bought in connection with your personal pension arrangements. Where this applies, your arrangements must pay the extra cost of that VAT.

## Miscellaneous

### Divorce

If you are divorced, a court order may apply to your plan and this may affect your rights and/or benefits held or payable under your plan. Please tell us of any such order and of any changes made to it.

## Bankruptcy

If you become bankrupt, please tell us immediately, as this may affect benefits in payment.

Terms highlighted in **bold** are either defined in the Scheme Rules or described more fully elsewhere in this part.

The provisions of the Financial Services and Markets Act 2000 apply to the plan.

This information is based on Retiready's understanding of current taxation law and HM Revenue & Customs practice, which may change. The value of tax relief depends on the financial circumstances of the investor. Benefits are not guaranteed.