

# Transfer Pension Portfolio (TPP)

## Terms and conditions



Countrywide Assured

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# Summary

The main object of the Transfer Pension Portfolio (TPP) is to protect any existing rights to a tax-free cash lump sum in excess of 25%, and/or entitlement to a protected pension age in your own policy, which gives you control of the investment of your pension fund. This can only be done if certain conditions are met when a transfer is made to a deferred annuity contract, such as a TPP. Protection is normally maintained where:

- an occupational pension scheme is winding up and the whole of the fund representing your benefits is being transferred; or
- you wish to transfer from an existing Section 32 contract or other deferred annuity contract.

Benefits will be provided from a retirement fund. Subject to certain conditions, benefits may be paid as drawdown pension if we agree to it. Alternative benefits may be payable if you die before your pension becomes payable or while taking a drawdown pension.

The TPP is limited to the value of units in one or more funds managed by Countrywide Assured plc (“Countrywide Assured”) and/or any self invested fund.

We have entered into this contract with the scheme trustees/administrator of the transferring scheme and you based on the application form submitted and on the understanding that all of the information given to us in connection with your TPP is correct. If this is not the case, the benefits that your TPP provides may be affected. If the TPP is under trust, this is shown in the schedule.

We will pay the appropriate benefits in sterling by cheque, bank transfer or standing order to the person who has established, to our satisfaction, that they are entitled to receive them.

The TPP is a Section 32 contract, which is a deferred annuity contract. These TPP *Terms and conditions* are written on the basis that the Section 32 contract comprises just the initial transfer value payment and does not include any benefits as a result of contracting out of the State Earnings Related Pension Scheme.

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

These *Terms and conditions* are based on our current understanding of law and HM Revenue & Customs (HMRC) practice. Tax rules and legislation may change and will depend on your financial circumstances. Please note that changes to taxation may be implemented retrospectively.

You can find further information and an explanation about the tax legislation for registered pension schemes and HMRC practice and requirements in the *Pensions Tax Manual* at [www.gov.uk](http://www.gov.uk)

# Definitions

In this section, we have set out the specific meaning of terms used throughout the document.

Where we refer to Countrywide Assured in this document, this includes CASFS Ltd (“CASFS”) where appropriate.

**You and your:** the person named in the TPP schedule and account schedule, and includes, where appropriate, a beneficiary.

**Account:** your Section 32 account, which can be made up of one or more TPPs.

**Account documents:** the TPP *Terms and conditions* document and any endorsements that relate to it, your TPP schedule, your account schedule and any further schedules or endorsements issued in connection with your Section 32 account. Where the account documents are required to be produced, they also include any information, clearance or consents required from third parties.

**Adviser fees:** ongoing adviser fees, initial adviser fees and ad hoc adviser fees in each case as defined and identified in your adviser fee instruction, payment of which you have agreed will be facilitated by deduction from your TPP and paid to your financial adviser.

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

**Agreement:** an investment management agreement entered into between us and an investment manager.

**Allowable investments:** the types and classes of investments that can be held in your TPP. Details of the investments allowed are available in the *Permitted investments guide* and for Countrywide Assured Investments and Pensions funds in the *Fund choice guide*. We can choose not to allow any particular investment under the TPP and can vary the choice of allowable investments at any time.

**Arrangement:** each TPP held within your Section 32 Account, which can comprise uncrystallised and crystallised funds.

**Beneficiary:** any person, including a dependant nominated by you to receive pension benefits on your death.

**Commencement date:** the date on which each of your TPPs is established.

**Countrywide Assured:** the scheme administrator also referred to as “we”, “us” and “our”.

**Countrywide Assured funds:** the insured funds as set out in the Fund choice guide but does not include any insured fund designated as a self invested fund.

**Crystallised funds:** where you have started to take benefits as a drawdown pension and for the purposes of these conditions do not include a lifetime annuity.

**Deferred annuity contract:** a policy or contract bought from an insurance company using funds from a registered pension scheme. It provides pension benefits to an individual at some time in the future.

**Drawdown pension:** this option allows you to access your pension savings whenever you need to from your crystallised fund, leaving your remaining crystallised fund invested. Unlimited income payments may be made up to the value of your crystallised fund.

**FCA:** the Financial Conduct Authority or any superseding or successor authority or equivalent supervisory body.

**HMRC:** HM Revenue & Customs.

**Handbook:** the FCA’s or PRA’s *Handbook of rules and guidance*, as appropriate.

**Insured fund:** a separate identifiable portion of Countrywide Assured’s long-term business fund that is represented by our eighth series of units, and units of which you may select for purposes of valuing TPP. Each insured fund is compatible with pension business within the meaning of Section 58 of Part 2 of the Finance Act 2012. Insured fund shall include a self invested fund, unless stated otherwise.

**Investments:** those that comply with the rules as described in the FCA’s Conduct of business rules, contained in the *FCA Handbook*, at [www.fca.org.uk](http://www.fca.org.uk)

**Investment manager:** an individual, partnership or company nominated by the member and appointed by us to manage the assets of a self invested fund and who is authorised to manage investments under the Financial Services and Markets Act 2000, and any subsequent amendment; or the member if they elect and we agree.

**Lifetime annuity:** an annuity contract purchased from an insurance company of the member's choosing to provide the member with an income for life as defined in tax law.

**Lump sum:** any authorised lump sum including pension commencement lump sum unless stated otherwise, as defined in tax law.

**Lump Sum Allowance (LSA):** HMRC has set what's known as the Lump Sum Allowance (LSA) and the Lump Sum and Death Benefit Allowance (LSDBA). This means that normally when you take benefits, if the total value of all your lump sum benefits is greater than the LSA of £268,275 and/or LSDBA, then you will be taxed on the excess at your marginal rate of income tax.

Your LSA/LSDBA may be higher than the standard allowances if you have been granted protection by HMRC.

**Lump Sum and Death Benefit Allowance (LSDBA):** this is set at £1,073,100 and is the limit set by HMRC on the tax-free lump sums taken from pensions, as well as tax-free lump sums that can be paid to beneficiaries after death.

**Member:** an individual who is entitled to benefits under a TPP, which is a registered pension scheme and who is named in the account schedule.

**Normal minimum pension age:** 55 unless you have retained a protected pension age. The minimum pension age will increase to 57 from 6 April 2028.

**Payment date:** the 6th, 14th, 21st or 28th of every month when benefits are paid. If the date is not a working day, payment will be made on the last working day preceding the payment date.

**Pension age:** the date chosen by the member. It is any age after age 55 (age 57 from 6 April 2028) unless you have retained an earlier protected pension age in which case you will be able to choose that age.

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

**Pension sharing order:** any order or provision referred to in Section 28(1) of the Welfare Reform and Pensions Act 1999 and may apply to you after divorce or the dissolution of a civil partnership or after the nullity of a marriage or civil partnership.

**Permissible assets:** the types and classes of investment that comply with HMRC requirements relating to investments so that they are not classed as taxable property as defined in tax law.

**Permitted links:** the types and classes of investment that comply with the FCA's *Handbook* requirements relating to investments that can be held in an insured fund.

**PRA:** the Prudential Regulation Authority or any superseding or successor authority or equivalent supervisory body.

**Property:** any real property or properties (commercial properties only) held as an asset of a self invested fund.

**Protected pension age:** where an individual retains a right that he or she had on 5 April 2006 to take a pension before the normal minimum pension age.

**Qualifying Recognised Overseas Pension Scheme:** as defined in tax law.

**Registered pension scheme:** a pension scheme that is or is treated as being a registered pension scheme as defined in tax law.

**Regulator:** the FCA and/or the PRA as the context requires.

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

**Retirement fund:** the value of each of your TPPs at any time.

**Scheme administrator:** Countrywide Assured, which HMRC has been notified is responsible for administering the TPP.

**Section 32:** a policy or contract bought from an insurance company of the individual's choice using funds from a registered pension scheme. The benefit rights have been "bought out". These are deferred annuity contracts and provide pension benefits to an individual based on the value of the fund at some time in the future. The term Section 32 comes from a provision in section 32 Finance Act 1981 that related to deferred annuity contracts.

**Self invested fund:** a unit-linked insured fund forming part of Countrywide Assured's long-term business fund and which is established specifically to enable you to invest in a variety of permitted links other than only Countrywide Assured Investments and Pensions funds.

**Successor:** any person nominated by a beneficiary to receive benefits on the beneficiary's death.

**Switch charge:** the charge Countrywide Assured make when you change your chosen insured fund(s) in accordance with condition 2.7.2. This charge is subject to review in accordance with condition 3.5.3.

**Tax law:** Part 4 of the Finance Act 2004 and regulations made under it and any amendments thereto.

**Tax year:** the period 6 April in one year to 5 April of the next year.

Each TPP as detailed on the TPP schedule is a scheme, which is a registered pension scheme under tax law.

**Uncrystallised funds:** funds held in respect of the member under a money purchase arrangement that have not as yet been used to provide that member with a benefit under the scheme (so have not crystallised).

# Terms and conditions

## Section 1: Transfer payment

- 1.1 The total amount of the transfer payment received from the registered pension scheme from which the value of your benefits have been transferred on the commencement date is the total shown on the schedule.
- 1.2 We may, for administration purposes, issue one schedule covering multiple transfers. In these circumstances, the amount of transfer payment received from the transferring schemes on the commencement date is the amount of each transfer value payment.
- 1.3 You can transfer assets held in another registered pension scheme to your account subject to our agreement. You must provide details of the assets in a schedule and you will be advised if these are acceptable. For further information about in-specie transfers please refer to [www.countrywideassured.co.uk](http://www.countrywideassured.co.uk)

## Section 2: Investments

- 2.1 Countrywide Assured owns the assets held in the insured funds in which your TPP invest. You do not have any legal or beneficial interest in those assets.
- 2.2 HMRC classes only certain investments under a registered pension scheme as tax exempt and the regulator permits only certain investments to be held under an insurance contract. Details of the investments that can be held in your TPP are set out in the *Permitted investments guide*.
- 2.3 Countrywide Assured will determine if an asset is a permitted link and an allowable investment. If it is not an allowable investment it will normally be sold and the cost of doing so will be charged to your TPP.

## 2.4 How the Countrywide Assured funds operate

- 2.4.1 Each Countrywide Assured fund (hereafter referred to as a fund in these *Terms and conditions*) is notionally divided into units and all units of a fund have an equal value. We create or cancel units of a fund as appropriate. Whenever a unit is created, an amount of money equal to its base value (see condition 2.5.3) will be added to the fund. Whenever a unit is cancelled an amount of money equal to its base value will be deducted from the fund.
- 2.4.2 We always have discretion over how the assets of each fund are invested, subject to investment in accordance with the fund's declared investment objectives.
- 2.4.3 Any income arising from the assets of the fund will be added to that fund.
- 2.4.4 We will deduct from each fund:
- (a) All expenses incurred in connection with buying, managing, maintaining and selling the fund's assets.
  - (b) any expenses incurred in providing loans and other facilities for the fund.
  - (c) An allowance for tax. This amount will not exceed the amount of all the taxes that would be payable for the fund if:
    - the fund comprised the whole of our pension business fund;
    - no allowance was made for expenses of the fund; and
    - no allowance was made for any other business we might undertake.
  - (d) An appropriate proportion of any levy made upon us under the Financial Services Compensation Scheme and any other statutory levy or mandatory charge for which we become responsible in connection with our long-term insurance business.
  - (e) The annual management charge calculated as a percentage of the value of the fund.

## **2.5 How we calculate unit prices**

- 2.5.1 Each fund will be valued every working day.
- 2.5.2 We will calculate the value of each fund in accordance with recognised actuarial principles and on a fair and equitable basis, having due regard for all policyholder interests. Details of the factors we consider in our calculations are available on request.
- 2.5.3 Each time a fund is valued we will calculate the base value of a unit of the fund by dividing the total value of the fund by the total number of units existing at that time.
- 2.5.4 We will round all unit prices to one tenth of a penny.
- 2.5.5 When an insured fund linked to an external fund manager's fund is valued, the valuation will take into account the external fund manager's charges. Some external fund managers may also pay some fees and expenses out of the assets of their funds. These fees and expenses are reflected in the external fund manager's unit prices and therefore in the unit prices set for the insured fund.

## **2.6 Allocation of units**

- 2.6.1 We will allocate units in the fund or funds, which you have selected for the transfer payment shown on the schedule. The units allocated will be equal in value to the allocation amount shown on the schedule. Where you have selected more than one fund we will allocate units in the proportions which you have requested.
- 2.6.2 We will allocate units at the unit prices effective on the commencement date.
- 2.6.3 The number of units allocated will be rounded to 1/10,000th of a unit.
- 2.6.4 The maximum number of funds as determined by us from time to time may be allocated to your TPP at any one time.

## **2.7 Changing your chosen fund**

- 2.7.1 You may request us to cancel units, which are already allocated to your TPP and have allocated instead units of a different fund or funds. We will accept your request and put it into effect provided units of no more than the maximum number of funds as determined by us will remain allocated to your TPP after the change.

- 2.7.2 We reserve the right to deduct a switch charge from the value of the cancelled units before we allocate units in the other fund or funds.
- 2.7.3 Cancellation and allocation of units will be carried out using the unit prices effective for the next working day after we receive your instructions in a form acceptable to us.
- 2.7.4 We reserve the right to defer cancellation of units in any Countrywide Assured fund(s) under condition 2.7.1 in circumstances that in our opinion are periods of market volatility and/or in circumstances where you make a request under conditions 2.7.1 in relation to units of a particular Countrywide Assured fund(s) within 10 days of a previous request under condition 2.7.1 in relation to that Countrywide Assured fund(s).

## **2.8 Self invested fund**

- 2.8.1 A self invested fund will not be set up where initially you only require to hold units of Countrywide Assured funds. However, if in the future you decide to diversify your investments, for example by holding equities or property directly, a self invested fund will automatically be set up. In accordance with your instructions on the switch form you complete, sufficient units of your Countrywide Assured funds will be surrendered and transferred to be held as cash in your self invested fund. You may be asked to complete an application to establish a self invested fund at that stage.
- 2.8.2 If you wish to set up a self invested fund, it will be invested in such a manner as determined by us and the investment manager in accordance with the agreement. We always have discretion as to how the self invested fund is operated, how its assets are invested and how such investments are bought and sold.
- 2.8.3 Even if an investment is an allowable investment, we can choose at our discretion not to allow it as an asset of your self invested fund for any reason deemed appropriate.

- 2.8.4 If you make a transfer payment to a TPP in-specie (by way of a transfer of assets already held by another registered pension scheme), you must provide a schedule of all the assets you want to transfer to a TPP. We will tell you if there are any assets on that schedule that are not acceptable to us.
- 2.8.5 All investment transactions must be carried out on a commercial basis.
- 2.8.6 We will appoint a nominee and custodian of the investments in your self invested fund except where an agreement has been signed with the investment manager that allows them to make such arrangements. A list of these investment managers is available from us on request.
- Investment manager**
- 2.8.7 Where the assets held by the self invested fund are investments (those other than property and cash) you are required to either:
- Nominate an investment manager for the self invested fund. If that investment manager is acceptable to us, we will duly appoint that investment manager to manage the self invested fund on our behalf subject to the terms of the agreement
  - Subject to our approval, you may elect to act as the investment manager and we will duly appoint you to manage your fund on our behalf subject to the terms of the agreement.
- 2.8.8 Where you act as the investment manager, you may appoint an appropriately authorised individual or firm to advise you on how your self invested fund should be invested.
- 2.8.9 Any appointment of an investment manager for your self invested fund will be on such terms as we may agree with that investment manager and will be subject to our approval.
- 2.8.10 Where a person is appointed as an investment manager, the duties and rights of the investment manager are carried out or exercised by the investment manager as our agent.
- 2.8.11 You may ask for different investment managers to be appointed for different parts of your account. A separate self invested fund will be set up for each investment manager appointed.
- 2.8.12 We reserve the right to remove the investment manager at any time if in our opinion the investment manager is not managing the investments of the self invested fund or is not managing them in accordance with the terms of the agreement.
- 2.8.13 If you do not, within seven days of any such removal referred to above:
- nominate a new investment manager who is acceptable to us; or
  - elect to move Investments into one or more Countrywide Assured funds;
- we will, at our sole discretion, without acceptance of any liability on our part for the performance or any other aspect of the insured fund(s) designated by us effect a switch from the self invested fund into a default insured fund(s). The unit price of the default insured fund(s) effective for the working day after the day on which the move is made will be used.
- 2.8.14 The investment manager will, in accordance with the agreement, be responsible for:
- making investments for your self invested fund in accordance with the investment strategy you have agreed with us and the investment manager; and
  - carrying out transactions in accordance with the operating requirements of the agreement.
- 2.8.15 We reserve the right to instruct the investment manager or, at our sole discretion, any stockbroker or unit trust manager immediately to dispose of any investments held as assets of a self invested fund that do not conform to the investment objectives and risk profile of the self invested fund, or that is not an allowable investment or which is considered inappropriate for the self invested fund. Our decision about whether any investments do, or do not, so conform shall be final and binding.



- 2.8.16 The investment manager may not make any direct investment in property or interest in land, or enter into any borrowing arrangement associated with the direct purchase of property or an interest in land. Neither may a loan be made from the self invested fund without our express consent and subject to any requirements we may specify.
- 2.8.17 All trades will be settled from the cash account held for your self invested fund.
- 2.8.18 If your self invested fund is to be managed by an investment manager who we have approved to make custodian and nominee arrangements, cash held in your self invested fund will be transferred to and received from that investment manager in accordance with their instructions, subject to there being sufficient liquidity in the self invested fund to meet any ongoing costs and charges.
- 2.8.19 We do not accept any liability for any loss caused by the investment manager, their nominee, banker or custodian or anyone else providing related services.
- 2.8.20 We do not accept any liability for any tax charges should you, the financial adviser or investment manager invest in assets that are deemed to be taxable property by HMRC.
- 2.8.21 We will not act as investment manager for your self invested fund or provide investment advice.

#### **Acting as your own investment manager**

- 2.8.22 Conditions 2.8.7 to 2.8.21 also apply where you are the appointed investment manager.
- 2.8.23 If you are appointed as your own investment manager, you can invest in commercial property and collective investments but not in investment trusts or direct stocks and shares (equities).
- 2.8.24 When you are considering buying an investment, you must first make sure that you have enough cash in your fund to cover the cost of the investment. If there is insufficient cash in your fund, we and/or Countrywide Assured reserve the right to sell that asset or any assets held in your fund to cover the total cost of acquisition. Similarly, on the sale of an asset, you must

ensure that your fund holds the entire quantity of the asset to be sold. Any charges for our additional administration will be deducted from your cash holdings. Should there be any shortfall in your cash holdings we reserve the right to recover this from you personally.

#### **Client money**

- 2.8.25 All monies are treated as client money for the purposes of the Handbook and deposited no later than the next business day after receipt in a designated client bank account being a corporate account of CASFS. It will be deposited with CASFS' bankers, currently Barclays Bank Plc and JP Morgan. No interest will be paid on money held in this bank account. All monies will be paid to Countrywide Assured and will be transferred to us within three business days of receipt by CASFS.
- A transfer payment to your TPP will be a recognised transfer as defined in tax law.

#### **Cash holdings within self invested funds**

- 2.8.26 A record will be kept of your cash holdings each day for your self invested fund. Interest accrues gross on a daily basis and any interest due is credited to the self-invested fund at the end of each calendar quarter. The rate payable for the previous quarter is available on request.
- 2.8.27 Your cash holding will be debited to:
- buy assets for your self invested fund;
  - transfer cash to your investment manager;
  - provide a lump sum, drawdown pension or the purchase price of a lifetime annuity through an authorised annuity provider;
  - pay a transfer payment to another registered pension scheme (including a transfer of a pension credit to comply with a pension sharing order or a restoration order);

- collect charges, pay expenses and any loan repayments in connection with the acquisition, ongoing management, maintenance and sale of property; and
- pay adviser fees to your financial adviser.

2.8.28 Expenses include all those incurred in respect of:

- buying, managing, maintaining and selling your fund's assets and interests;
- arranging borrowing providing loans and other facilities for the fund; and
- our charges.

Such expenses may be incurred by us or the investment manager. We reserve the right to obtain such independent advice or take whatever other action is necessary to ensure that our duties and statutory obligations in respect of the self invested fund are met.

2.8.29 Money will be added to your fund's cash holding when:

- the proceeds of the sale of an asset are received; and
- income from your assets is received.

2.8.30 You agree to ensure your self invested fund has sufficient cash at all times to meet any charges, costs or liabilities we are entitled to charge to your self invested fund. If your fund has a negative cash balance for any reason, it will be required to be put back into a credit position as soon as possible, and until such time, we will charge interest on a basis determined by us. Any such interest charged will be a liability of your fund.

2.8.31 The prevailing rates of interest are available on request and may also be published on our website. In the unlikely event we make a significant change to the basis of calculating negative balance interest we will give one month's written notice to you and the investment manager.

## Property

2.8.32 Property will be held by Countrywide Assured in an insured fund.

2.8.33 If the purchase is agreed, your self invested fund can normally invest in property situated in England, Wales or Scotland. To begin the process, you must complete a commercial property application form. Details of our requirements are in the *Guide to commercial property*, which is available on request.

2.8.34 You may with our agreement be allowed to invest in a property that will be jointly owned with you in your personal capacity or by a third party.

2.8.35 You may, with our agreement, be allowed to invest in the same property with other individuals who also have TPP or with other individuals who have their own self invested fund under a compatible pension contract with us. This may be allowed by appropriating a part of the value of the property to more than one self invested fund.

2.8.36 Any property purchased from you, or from anyone connected with you, must be purchased on commercial terms, as notified in writing by an independent qualified surveyor who is a member of the Royal Institution of Chartered Surveyors.

2.8.37 Countrywide Assured may set a minimum purchase price, below which value we will not purchase a property. We also set the criteria for the type of property we will purchase, but always reserve the right to refuse at any time before completion to purchase a property for any reason.

2.8.38 Countrywide Assured reserves the right to set an upper age limit applying to you if you wish to hold property as an asset of your self invested fund.

2.8.39 Further details are set out in the *Guide to commercial property*, which is available on request.

2.8.40 The charges that apply to property investment are in the *Guide to charges*. The charges and rates of interest will be in accordance with a scale published. Countrywide Assured reserves the right to vary the descriptions, charges and rates in the scale, and we will give one month's written notice of any

proposed variation to you and to the investment manager. We will deduct the charges and interest from your fund unless otherwise discharged by a separate payment. These provisions are solely for determining the charges that may apply and interest that may be charged, and do not give any indication as to what assets are acceptable to us. We will collect these charges from your cash holding in your fund.

- 2.8.41 If the purchase of the property does not go ahead for whatever reason, the initial property charge will not be refunded and your self invested fund will be charged for all the expenses incurred in respect of the proposed purchase, including but not limited to solicitor's costs and the cost of searches, surveyor's fees and environmental reports.
- 2.8.42 You can set up a borrowing arrangement to help finance the purchase of a property. Details of our requirements are in the *Guide to commercial property*.
- 2.8.43 You must inform Countrywide Assured if any VAT is payable on the purchase price. You may not need to arrange additional finance for this, but additional charges may apply. See condition 3.4.1 for further details.
- 2.8.44 All borrowing must be:
- within the limits set out in tax law; and
  - on commercial terms.
- 2.8.45 If a property is purchased and then let out, the lease must meet the conditions specified in the *Guide to commercial property*.
- 2.8.46 If any self invested fund is invested in property and you die, the property may have to be sold in order to pay the death benefits. If any self invested fund is invested in property and a pension sharing order or restoration order is received, the property may have to be sold in order to comply with the order.
- 2.8.47 Your self invested fund will be charged for the costs involved in selling the property.

## 2.9 General conditions about investments

- 2.9.1 We may open new funds or close or combine existing funds if we think this is appropriate. We will give you at least one month's written notice of any closure of a fund or combination of funds, giving a reason and inviting you to choose an alternative fund or funds to be effective on or before the date for combination or closure. Where the closure of a fund or combination of funds arises as a result of actions taken by the external manager of the underlying assets of that fund, we will give you notice of that fund closure or combination consistent with that received by us from the external manager. If you do not advise us of your choice before the date for combination or closure then:
- (a) In the case of a combination of funds, units in the new combined fund equivalent to the value of units in your old fund on the date of combination will be allocated to your TPP.
- (b) In the case of a closure of a fund, units in a fund we consider most closely reflects the declared investment objectives of the closed fund equivalent to the value of units in the closed fund on the date of closure will be allocated to your TPP, without acceptance in either case of any liability on our part for the performance or any other aspect of the fund designated by us.
- 2.9.2 When we refer in this document to a fund or to units, this is solely for calculating the benefits, which your TPP provides. Entitlement to the benefits does not create any legal or beneficial interest for you in the units of the fund or the assets of the fund.
- 2.9.3 We reserve the right to defer the cancellation of units of any Countrywide Assured fund having a real property content where we think this is necessary. We will then cancel units at the price applicable at the end of the deferral period. Payment of a benefit due on death will not be delayed for such a reason. Nor will the payment of your pension, where it is due to be paid from the chosen pension date indicated on your original application form, be delayed.

- 2.9.4 Where we use funds of an external fund manager, we buy units in the external fund manager's fund or use the external fund manager to invest the assets of the insured fund. You do not invest directly in an external fund manager's fund.
- 2.9.5 Where we cannot encash units in any of Countrywide Assured funds due to a delay in the cancellation of units of the underlying fund, the applicable unit price of the Countrywide Assured fund will be the unit price prevailing at such time as the period of delay has ceased and the Countrywide Assured fund can be valued.
- 2.9.6 Full details of all the available Countrywide Assured funds are set out in the *Fund choice guide*.

### Section 3: Charges

#### 3.1 Administration charges

- 3.1.1 An initial administration charge is made for setting up your account and this will be deducted from the initial transfer payment. You can find details in your personalised illustration and the *Guide to charges*.
- 3.1.2 An additional initial administration charge is also made for each TPP held within your account. You can find details in your personalised illustration and the *Guide to charges*.
- 3.1.3 We make an annual management charge that is deducted from the value of each fund. You can find details in your personalised illustration and the *Guide to charges*.
- 3.1.4 If you choose a fund or funds that hold units in regulated collective investment schemes or investment trusts, you will also pay charges for the assets managed. The additional charge varies depending on the fund(s) selected. You can find details of the charges levied on Countrywide Assured funds in the *Fund choice guide*.
- 3.1.5 If an in-specie transfer of investments or property is made, we reserve the right to make an in-specie transfer charge to cover the additional administration involved. We will collect the charge from the cash holding in your self invested fund.

- 3.1.6 We may make a charge where a late response to a request for information gives rise to additional administration and we have issued letters to you and/or your appointed investment manager. We will also charge for each letter written in respect of an overdrawn self invested fund.
- 3.1.7 We have the right to increase our administration charges to reflect increases in our overall costs or changes in the assumptions that we make. We may also increase the charges on an insured fund managed by an external fund manager to reflect increases in the costs in running such an insured fund. Any increases in charges will not increase profit margins above reasonable levels.

#### 3.2 Adviser fees

- 3.2.1 The payment of fees due to your financial adviser for their advice and services, (adviser fees) may be facilitated from your TPP as described in our *Client guide to adviser charging*. The rate or level of such adviser fees will be as you have agreed and indicated in the adviser fee instruction that we receive from you. Payments to your financial adviser will be deducted from your TPP and then paid to your financial adviser accordingly. You should speak to your financial adviser if you would like more information on adviser fees.
- 3.2.2 Any instruction from you to increase, stop or vary adviser fees will be subject to the conditions described in the adviser fee instruction.

#### 3.3 Securities and collective investment charges

- 3.3.1 The self invested fund investment administration charges for non-property assets depend on whether your self invested fund is managed by an investment manager from our list or otherwise. Details are available on request.
- 3.3.2 If you nominate one of our approved investment managers, we will make a flat charge each calendar year for administration costs but currently we make no charge for individual transactions provided all transactions are treated as paperless. We recover this charge annually on the annual

charge date, currently 1 January, by debiting your self invested fund. We make an annual charge for each investment manager you nominate. We will collect a proportion of the charge on the day the investment manager is appointed and the full charge on each annual charge date from then on. (The proportion will be based on the number of days from the date of appointment to the next annual charge date.) We will debit the charges made by your investment manager from your self invested fund.

3.3.3 If you nominate an investment manager who is not approved by us, including where you are acting as your own investment manager to manage your self invested fund, we will charge for each transaction. We will deduct this charge from your self invested fund for each trade; and we regard purchases and sales as separate trades. We currently waive this charge for buying and selling units in Countrywide Assured funds. We reserve the right to make a transaction charge each time we give money to, or receive money from, your nominated investment manager. We will debit the charges made by your investment manager from your self invested fund.

3.3.4 We will collect these charges from the cash holding in your self invested fund.

3.3.5 In addition to the charges made by Countrywide Assured, we will debit your self invested fund with all third party charges (including custodian charges) and taxes, regardless of whether we make a transaction charge or not, and all costs in respect of trades made for, and in relation to, assets held for your self invested fund.

### **3.4 Property charges**

3.4.1 Where it is agreed to purchase a property as an asset of your self invested fund, or your self invested fund holds a property as an asset, charges are made to cover administration costs, which will be deducted from the cash holding in your self invested fund. Details of when charges are levied are contained in the *Guide to charges*.

3.4.2 The charges in the *Guide to charges* are for straightforward transactions. If a transaction involves shared ownership of a property or in our view is a more complex transaction, we will confirm the level of additional charges to you. Similarly, if during a transaction it becomes evident that there are complexities beyond those normally associated with a property purchase, we reserve the right to make an additional charge after notifying you.

3.4.3 If you wish to refurbish a property, build a small extension or make any structural changes that are acceptable to us, we will agree with you charges for the additional administration that it will involve.

3.4.4 We reserve the right to vary or add to the activities described above and the charges relating to those activities on one month's written notice being given to you and to the investment manager.

3.4.5 We reserve the right to make additional charges for any additional administration involved in circumstances where tenants are unable to make their rental payments or rent is not received.

3.4.6 A deduction is also made from each self invested fund in respect of all expenses incurred in connection with the acquisition, managing, maintaining and selling of property as an asset of the self invested fund, including where the transaction does not proceed for any reason. Details of such deductions are contained in the *Guide to commercial property* and the *Guide to charges*.

### **3.5 The current charges**

3.5.1 The current charges are set out in the *Guide to charges*, which is available on request and at [www.countrywideassured.co.uk](http://www.countrywideassured.co.uk)

3.5.2 We will review the charges periodically so the proportion of the maintenance costs and other financial margins they were designed to meet are maintained at a consistent level. The charges and events relating to the self invested fund will also be reviewed to ensure that they continue to reflect the cost of administering these arrangements.

3.5.3 We also review whether to charge for switching between Countrywide Assured funds.

3.5.4 Our charges as set out in these *Terms and conditions* may be subject to change due to various reasons. Therefore, we reserve the right to vary our charges where we believe it is necessary, fair and reasonable to do so. This may include, for example:

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

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

3.5.6 The fixed amount service charges (available in the Guide to Charges document) will automatically increase, annually on 1st January, in line with the Consumer Prices Index (CPI). The CPI increase will be based on the July figure calculated by the Office for National Statistics (ONS).

Where the annual CPI increase is greater than the above CPI figure we will write to you in advance of the change.

3.5.7 If you have a self invested fund, you or your investment manager must ensure there is sufficient cash to pay the charges as and when they arise (see condition 2.8.30). If at any time, your self invested fund has insufficient cash to cover the charges, we reserve the right to sell assets from it to meet these and future charges. We also

reserve the right to close your self invested fund if its total asset value is insufficient to meet all charges payable, in which case we will bill you directly for payment.

### 3.6 Apportionment of the charges

3.6.1 Where a charge is to be deducted from a transfer payment before it is allocated to buy units (such as an initial administration charge), Countrywide Assured will deduct the charge.

3.6.2 Charges taken from a TPP are collected by the cancellation of units of funds.

3.6.3 If the charge relates to a specific investment of a self invested fund (such as a transaction or initial property charge), we will deduct the charge from your self invested fund.

3.6.4 We will deduct the charge for using an approved investment manager (see condition 3.3.2) from your self invested fund.

## Section 4: General information about benefit payments

4.1 HMRC has set what's known as the Lump Sum Allowance (LSA) and the Lump Sum and Death Benefit Allowance (LSDBA). This means that normally when you take benefits, if the total value of all your lump sum benefits is greater than the LSA and/or LSDBA, then you will be taxed on the excess at your marginal rate of income tax.

Your LSA/LSDBA may be higher than the standard allowances if you have been granted protection by HMRC.

More information on these allowances and the different protection regimes can be found in our factsheet Pension scheme allowances and tax charges, available on our website or on request.

4.1 A registered pension scheme, such as your TPP, is authorised to pay out benefits to or in respect of a member, as pension income and/or as a lump sum.

4.2 The authorised forms of pension income and lump sum payments, the circumstances in which they can be paid, and the conditions and restrictions that these payments or entitlements must meet or follow in order for them to be authorised payments are contained in tax law.

- 4.3 Any benefits that are not classed as authorised payments are classed as unauthorised payments and are subject to penal tax charges. You do not have any rights under these *Terms and conditions* to an unauthorised payment.
- 4.4 When you take benefits under your TPP normally, if the total value of all your lump sum benefits is greater than the Lump Sum Allowance and/or the Lump Sum and Death Benefit Allowance, then you will be taxed on the excess at your marginal rate of income tax. You can find details of these allowances in our factsheet *Pension scheme allowances and tax charges* on our website or on request.
- 4.5 If you have been granted any form of protection by HMRC, you must let us know and provide us with evidence of the type of protection that has been granted. before we calculate the level of lifetime allowance charge (if any) that applies.

## Section 5: Benefits at pension age

- 5.1 You may start benefits from all (or part) of your uncrystallised funds from a date you choose provided it is an allowable date as described in condition 5.4 below.
- 5.2 You may exercise any of the options available by making a request to which we agree and in a form acceptable to us before your benefits commence.
- 5.3 You will be required to return your account documents, if necessary, and provide acceptable proof of your age and identity and, if applicable, of the age and identity of your beneficiary(ies) before we pay any benefits.

### 5.4 Your pension age

- 5.4.1 You may not start benefits earlier than the normal minimum pension age currently this is 55, but will increase to 57 from 6 April 2028 unless:
- you have a protected pension age and you satisfy conditions set out in tax law; or
  - you have provided:
    - evidence that you have ceased to carry on your occupation, and
    - medical evidence, which is satisfactory to us, that you are, and will continue to be, incapable

of carrying out your occupation because of physical or mental impairment.

### 5.5 Pension commencement lump sum

- 5.5.1 You can take part of your TPP as a pension commencement lump sum when you crystallise benefits and start a drawdown pension or buy a lifetime annuity with an authorised annuity provider unless:
- a transfer payment of a crystallised fund is made from another scheme; or
  - the lifetime annuity is purchased from a crystallised fund; or
  - the transfer payment is made up of a disqualifying pension credit.
- 5.5.2 The maximum pension commencement lump sum is normally 25% of the value of your TPP but a higher amount may be available if you have protection as set out in tax law.
- 5.5.3 If you are only invested in Countrywide Assured funds and do not give us any instructions to the contrary, the pension commencement lump sum is provided by cancelling units proportionately from each of the Countrywide Assured funds in which you hold units. If you have a self invested fund you or your investment manager must ensure that there is sufficient cash available to make the payment.
- 5.5.4 The normal rule is that a pension commencement lump sum must be paid in connection with an entitlement to a relevant pension. However, a pension commencement lump sum in excess of 25% may also be paid if certain conditions are met as prescribed in tax law.
- 5.5.5 In limited circumstances it may be possible to take all benefits as a standalone lump sum, subject to certain conditions being met as prescribed in tax law.

### 5.6 Taking a pension

- 5.6.1 The balance of the TPP in excess of the pension commencement lump sum must normally be used to provide a pension for you and, if you wish, for your beneficiary(ies) after you die. You may purchase a lifetime annuity with an authorised annuity provider. Alternatively, you may take a drawdown pension.

## 5.7 Drawdown pension

- 5.7.1 You may request a drawdown pension subject to our minimum fund value and the requirements of these *Terms and conditions*.
- 5.7.2 You can take a drawdown pension from your TPP up to the value of your drawdown pension fund. You can ask for your gross drawdown pension income to be a set sum of money, subject to our minimum. The same income basis does not need to apply to all your TPPs.
- 5.7.3 Subject to our minimum and any limits on the number of changes we may impose, you can increase, decrease, stop or restart your drawdown pension. You can also ask for additional one-off payments to be paid on a selected payment date and subject to seven working days' notice before that date. If you want to change the level of your drawdown pension income, you must give at least seven working days' notice before the next payment date.
- 5.7.4 We will put your request for an additional one-off payment into effect on either the working day following the day we receive your request in a form acceptable to us, and subject to our required notice period, or the date you select, whichever is the later.
- 5.7.5 Where regular payments are made, we will pay your drawdown pension in monthly instalments unless you ask us to pay it every three months, or once a year.
- 5.7.6 You can choose for your drawdown pension to be paid on one of four payment dates in each month.
- 5.7.7 For Countrywide Assured funds, we will cancel the number of units equal to the value of each drawdown pension income payment. We will calculate the number of units to cancel using the unit prices that apply for the date on which it is necessary to cancel units to enable each drawdown pension payment to be made on the payment date.
- 5.7.8 If you have a self invested fund, you or your investment manager must ensure that there is sufficient cash to pay the drawdown pension payments together with the charges detailed in condition 3 as and when they arise.

- 5.7.9 If you have a self invested fund, we will pay your drawdown pension income from the cash held in your fund. If there is insufficient cash in your fund to pay your drawdown pension then the investment manager will be required to realise assets to provide sufficient cash.
- 5.7.10 If you are only investing in Countrywide Assured funds and if you so request, we will pay drawdown pension payments by cancelling units of those Countrywide Assured funds you specify, in the proportions you specify.
- 5.7.11 Once any request for drawdown pension has been put into effect, payment of drawdown pension income will continue, subject to the requirements of these *Terms and conditions* at the level and frequency agreed with you and subject to your TPP having sufficient value to meet those payments, until such time as you or your beneficiary(ies) may elect to buy a lifetime annuity, via an authorised annuity provider,, or you die.

## 5.8 Phased drawdown pension

Under tax law you may choose to phase taking your pension benefits. However, as the main object of the TPP is to protect any existing rights to a tax-free cash lump sum in excess of 25% and/or entitlement to a protected pension age in your own policy, this will only be maintained if all benefits are crystallised within your TPP at the same time. As a result, phasing would not normally take place in your TPP. If your account comprises more than one TPP, you may start taking benefits from each TPP at a different time without affecting benefits under another TPP held within the account.

## 5.9 Buying a lifetime annuity

- 5.9.1 You can ask to use all your uncrystallised fund to buy a lifetime annuity via an authorised annuity provider, or use all (or part) of your crystallised fund to buy a lifetime annuity instead of continuing drawdown pension.



5.9.2 Instead of applying your retirement fund to provide only a pension for yourself, you may request that part of it is used to provide a pension payable to a beneficiary if he or she survives you.

5.9.3 You can buy a lifetime annuity with an authorised annuity provider.

#### **5.10 Authorised lump sum payments**

An authorised lump sum payment can be made in a number of circumstances and subject to certain conditions being met, as set out in tax law. An example of an authorised lump sum payment is a serious ill health lump sum.

#### **5.11 A retained right to a pension commencement lump sum of more than 25% and/or a protected pension age**

5.11.1 To retain the right to a pension commencement lump sum of more than 25% of your retirement fund value or a protected pension age you must crystallise all benefits in respect of that right under a TPP at the same time.

5.11.2 To qualify for the right to a pension commencement lump sum of greater than 25% of your retirement fund value or a protected pension age your transfer payment into a TPP must have met several strict conditions as set out in tax law.

### **Section 6: Death benefits**

6.1 If you die, we will pay the death benefit equal to the value of the retirement fund.

6.2 For Countrywide Assured funds, we will calculate the value of the death benefit using the number of units allocated to your TPP and the unit prices effective for the working day after we received written notice of your death. If you have a self invested fund then, subject to conditions 9.10 to 9.14, the value of the death benefit is the value of the self invested fund once all assets have been realised into cash.

6.3 We require certain documents before paying any benefit. These include your TPP documents, proof of your age, identity and death, and, where necessary, proof of the age and identity of your beneficiary(ies).

#### **6.4 Lump sum death benefit**

6.4.1 We will pay the death benefit to your legal personal representatives or to the trustee(s) for the time being of any trusts referred to in condition 8, subject to proof being given to our satisfaction of your death and the title of the claimants.

6.4.2 We will normally pay any lump sum death benefit under your TPP on your death before reaching age 75 tax free if it is within two years of notification of your date of death. This will be subject to their being sufficient lump sum and death benefit allowance being available and income tax at the beneficiary's marginal rate applies to any lump sum death benefit that exceeds this limit. Where applicable, your legal personal representative(s) is responsible for reporting the payment of a lump sum death benefit to HMRC. The recipient of the lump sum death benefit will be liable for any tax charge due.

6.4.3 Any lump sum death benefit paid on or after age 75 will be subject to a tax charge, the amount of which we will advise and deduct before the lump sum is paid.

6.4.4 Payment of the lump sum death benefit will end your TPP.

#### **6.5 Pension death benefits to a beneficiary(ies)**

6.5.1 You may nominate that all or part of the death benefit be used to provide a pension death benefit for your beneficiary or beneficiaries. This can be in the form of a beneficiary's drawdown pension or a beneficiary's lifetime annuity.

6.5.2 If the person to whom the pension death benefit is to be paid chooses to have a beneficiary's lifetime annuity, they can buy this from an authorised annuity provider.

6.5.3 Any request from a beneficiary for a drawdown pension will start with effect from the working day we receive the request with all necessary information. The request must be in a form acceptable to us.

6.5.4 Your beneficiary can tell us how he or she wants their Beneficiary's drawdown pension fund to be invested. Unless advised otherwise, we will continue to invest in the same manner and, in the same proportions, as previously for your TPP.

6.5.5 Subject to our minimum and any limits on the number of changes we may impose, your beneficiary can increase, decrease and stop and start their drawdown pension. Your beneficiary can also ask for a change to the level of income or for additional one-off payments to be paid on a selected payment date and subject to seven working days' notice before that date.

6.5.6 We will pay your beneficiary's drawdown pension on the payment date at the frequency requested, but at not less than monthly instalments, subject to any minimum requirement we may have.

6.5.7 If you are under age 75 when you die and designation to your beneficiary's drawdown pension is made within two years of the date we are notified of your death, we will pay any income to your beneficiary free of income tax. We will test any amount designated from your uncrystallised funds to a beneficiary's drawdown pension against your lump sum and death benefit allowance and income tax will apply to any sum that exceeds your available allowance. If no designation from your uncrystallised funds is made within two years of the date we are notified of your death, the income will be taxed at your beneficiary's rate of income tax.

6.5.8 If you are aged 75 or over when you die, we will pay your beneficiary's drawdown pension subject to your beneficiary's rate of income tax.

6.5.9 For insured funds, we will cancel a number of units equal in value to the value of each drawdown pension payment. The number of units cancelled will be calculated using the unit prices which apply for the date on which it is necessary to cancel units to enable each drawdown pension payment to be made on the payment date.

## 6.6 Death of a beneficiary

6.6.1 If your beneficiary dies before using all their drawdown pension fund to buy a lifetime annuity, normally all the assets held for that beneficiary under the TPP will be realised and the cash proceeds (less any charges) paid as a lump sum death benefit or as a pension death benefit. If

the beneficiary is under age 75 when they die, the lump sum or pension death benefit will be paid tax free to one or more successors nominated by the beneficiary if paid or designated within two years of the date we are notified of the beneficiary's death. If this does not happen within two years of being notified of the death, there will be a tax charge. If your beneficiary dies aged 75 or over, any lump sum death benefit will be subject to an income tax charge, which we will advise at the time.

6.6.2 If the beneficiary's death benefits are designated to a drawdown pension for one or more nominated successors, the payments will be tax free if the beneficiary was under age 75 at the date of death. Payments will be taxed as pension income at the recipient's rate of tax if the beneficiary's death occurred on or after age 75.

6.6.3 For insured funds, we will cancel units equal to the value at each drawdown pension payment. We will calculate the number of units to cancel using the unit prices that apply for the date on which it is necessary to cancel units to enable each drawdown pension payment to be made on the payment date.

6.6.4 If your beneficiary dies while in receipt of a lifetime annuity, the last payment will be the one that falls due before the beneficiary's death.

## Section 7: Transfers to another scheme

- 7.1 A transfer may be made to:
- another registered pension scheme; or
  - a Qualifying Recognised Overseas Pension Scheme.
- 7.2 A transfer may be made of:
- the whole of an uncrystallised fund; and/or
  - all the crystallised funds in a TPP.

You should be aware that unless certain conditions are met as part of the transfer, you may lose your entitlement to any protected tax-free cash sum or lower protected pension age.

- 7.3 Where drawdown pension is being paid from a TPP to one or more of your beneficiaries, they may also request that a transfer be made to another registered pension scheme. The transfer of a drawdown pension that is paid to your beneficiary is subject to the same conditions that apply to a transfer of your TPP.
- 7.4 A request for a transfer payment must be in a form acceptable to us. We will only make a transfer payment subject to the requirements of these *Terms and conditions*.
- 7.5 If the transfer is to a Qualifying Recognised Overseas Pension Scheme, see condition 4 for any overseas transfer charge that may apply.
- 7.6 If your crystallised fund is transferred, we will give the scheme administrator of the receiving scheme details of the value of your drawdown pension fund together with any details required as set out in tax law.
- 7.7 Except where you have a self invested fund, we will put into effect your request to transfer on either the date you select or the working day after we receive your TPP documents and all other requirements, whichever is the later. For insured funds we will calculate the transfer payment using the unit prices effective for the working day after receipt of all requirements.
- 7.8 If you have a self invested fund, you or your investment manager must ensure there is sufficient cash held in the self invested fund to pay the transfer value, or liquidate all the assets of the self invested fund if all of your account is to be transferred.
- 7.9 Payment of the transfer value will end your TPP to which the transfer relates.
- 7.11 In-specie transfer**
- 7.11.1 Instead of us selling the assets of a self invested fund in order to give effect to a transfer request, you (or your beneficiary) can ask us to transfer ownership of the assets of a self invested fund to another registered pension scheme, subject to that scheme being willing to receive those assets. This does not apply to any units of Countrywide Assured funds or the holdings in cash. We will apply a transaction charge for each asset for which ownership is transferred
- and an administration charge for each property for which ownership is transferred.
- 7.12 Pension sharing order**
- 7.12.1 If we receive a pension sharing order following divorce or dissolution of a civil partnership, in respect of your rights under your TPP, we must comply with it.
- 7.12.2 If you have not given any disinvestment instructions, we will encash units of Countrywide Assured funds in the same proportion to which they are held for your TPP in order to give effect to a pension sharing order.
- 7.12.3 If you have a self invested fund and the investment manager has not ensured that there is sufficient cash available to make the payment, assets of the self invested fund will be realised in order to give effect to the pension sharing order.
- 7.12.4 We will pay the value as required by the pension sharing order to another registered pension scheme or Qualifying Recognised Overseas Pension Scheme in accordance with the instructions received from the former spouse/civil partner.
- 7.12.5 The same provisions apply to a payment made following a pension sharing order as to a transfer you request.
- 7.13 Restoration order**
- 7.13.1 If we receive a restoration order in respect of your rights under a TPP, we must comply with it.
- 7.13.2 If you have not given any disinvestment instructions, we will encash units of Countrywide Assured funds in the proportion to which they are held for your TPP in order to give effect to the restoration order.
- 7.13.3 If you have a self invested fund and the investment manager has not ensured that there is sufficient cash available to make the payment, assets of the self invested fund will be realised to pay the amount that we are directed to pay under the restoration order.

## Section 8: Trusts

You may establish a trust relating to each of your TPP(s) from the commencement date or any date thereafter before your death. If you do so, the trusts must provide that the benefits becoming payable under each TPP in accordance with condition 5 shall be held on trust for the absolute benefit of yourself during your lifetime.

## Section 9: General

- 9.1 Each of your TPP(s) is a registered pension scheme as defined under tax law.
- 9.2 Any payments made to your TPP must be paid in sterling, unless an in-specie transfer has been agreed to. Any payments we make will be in sterling.
- 9.3 Before making any pension payments, we will deduct any tax that is due under Part 9 of the Income Tax (Earnings and Pensions) Act 2003.
- 9.4 Certain procedures and forms are used when any change to your TPP or any payment is to be made. Please send forms and any other documents to our head office unless you are asked to do otherwise. Changes and payments will only be made when all procedures have been completed. For this purpose, we reserve the right, where any requirements are met at or after 2pm on a working day, to deem those requirements to have been received on the following working day.
- 9.5 If the effective day for any calculation or any action is not a working day, the next working day will be treated as the effective day.
- 9.6 You will not be allowed to withdraw any request you have made on or after the date it is put into effect.
- 9.7 For insured funds where a switch charge is to be applied and units of more than one insured fund are involved in that switch, we will apply the charge across the relevant insured funds in proportion to the value of the units concerned.
- 9.8 If your date of birth or the date of birth of any other person who becomes entitled to benefits under your TPP is incorrectly stated at any time, the benefits will be adjusted to reflect your correct date of birth or the correct date of birth of that other person, as given on the original of your or their birth certificate, or other proof of age document.

- 9.9 In the event of a benefit becoming payable under conditions 5 or 6, and your TPP is invested in the self invested fund, we will realise the assets in your self invested fund into cash or other readily realisable assets as soon as possible. Provided that we may at our discretion defer such realisation if a request is received that is acceptable to us, to pay drawdown pension to your beneficiary or if, in our opinion, there is likely to be such a request. If we defer realisation of the assets of your self invested fund in these circumstances, and on your death there ceased to be an investment manager, we reserve the right to appoint an investment manager.
- 9.10 If a self invested fund contains real property, we may consult with you or your legal personal representatives before selling the property.
- 9.11 Whenever you make a request under conditions 5 or 7, or in the event of a benefit becoming payable under conditions 5 or 6 and your TPP is invested in a self invested fund, we reserve the right to indefinitely delay the realisation of assets of the self invested fund until such time as:
- in our opinion there are sufficient assets held in the form of cash or other readily realisable assets in the self invested fund to enable us to give effect to your request, or to pay the death benefit; or
  - such cancellation would not increase the ratio of any indebtedness of the self invested fund to its total assets beyond a level acceptable to us or HMRC.
- 9.12 If after six months the realisation of assets representing your self invested fund is still delayed, we shall be entitled to dispose of such of the assets of the self invested fund as we at our discretion shall decide, and without prejudice to our right to delay the realisation of assets representing your self invested fund in accordance with this condition.
- 9.13 We will carry out the appropriate cancellation of units representing your self invested fund to give effect to your request or to pay the death benefit when the self invested fund is next valued after a period of delay in accordance with this condition and at the unit price then calculated.

9.14	For Countrywide Assured funds where the request is made under condition 2 and the cancellation of units is delayed under this condition, units in the other Countrywide Assured funds will be allocated using the unit prices for those Countrywide Assured funds applicable on the date on which units in the self invested fund are cancelled.		We will exercise either of these rights having due regard to all policyholder interests and the proportion of the value of the fund's assets represented by the suspended share, unit trust or other asset immediately before suspending dealings.
9.15	For Countrywide Assured funds, where the request is made under conditions 5 or 7 and the cancellation of units in the self invested fund is delayed under this condition, the payment made in order to give effect to your request will be calculated using the unit prices applicable on the date on which units in the self invested fund are cancelled for all of the Countrywide Assured funds in which your TPP is invested.	9.19	For Countrywide Assured funds, where we negotiate the payment of an annual management charge rebate for an insured fund with any external fund manager, we reserve the right to retain all or a proportion of that rebate for our sole benefit and to adjust the proportion of any such rebate retained for our sole benefit at any time, to the extent to which such rebates may be allowed.
9.16	If your self invested fund holds assets that are not readily realisable then payment of benefits may be delayed.	9.20	Assets of the Countrywide Assured funds may be used as part of a securities lending programme and Countrywide Assured will retain a proportion of the income derived from that securities lending programme for our sole benefit. The remainder of that income less third-party charges will accrue for the benefit of the Countrywide Assured funds as determined by us, subject to Countrywide Assured funds receiving fair and reasonable recompense for any such lending.
9.17	We reserve the right to extend the period of 14 days referred to in condition 5.9.4 in circumstances where all or part of your TPP is invested in a self invested fund to enable all or part of the assets of that insured fund to be realised in the form of cash.	9.21	All notices, instructions and requests must be in English and should be in writing and sent to our correspondence address. We may, at our discretion, accept these by telephone, email or other electronic means.
9.18	If dealings in any share, unit trust or other asset forming the whole or any part of a fund are suspended, we reserve the right for the purposes of condition 2 to either:  (a) value the suspended share, unit trust or other asset at zero when valuing that fund and calculating the unit prices in respect of it; or  (b) defer valuing the fund and calculating unit prices in respect of it until dealings in the suspended share, unit trust or other asset are restarted. We will calculate the value of units in the fund as at the end of the deferral period.  If we defer valuing a fund, we will also defer any allocation or cancellation of units in the fund that would otherwise have taken effect after the date on which the fund was last valued. If this delays payment of any benefit becoming payable under a TPP, we will notify you. We will carry out the appropriate allocation or cancellation of units when the fund is next valued, at the unit price then calculated.	9.22	We may telephone you to discuss your TPP at a reasonable time of day without an express invitation from you to do so.
		9.23	We reserve the right to record telephone conversations for training and monitoring purposes.
		9.24	We may decline to act on any instruction or communication from you if we reasonably believe that to do so would give rise to a breach of law or HMRC practice, and we will advise you within a reasonable timescale if we believe this to be the case.
		9.25	We will deduct tax in accordance with legislation and the requirements of HMRC in force at the time any payment is due. If we pay any cash sum in commutation or in lieu of a pension, we will deduct any necessary tax. The scheme administrator is

accountable to HMRC for such tax as is required under tax law. Where liability for such charge is on a joint and several basis, the scheme administrator will be deemed (as between it and you the member) to have discharged its obligations to meet that liability where it has acted in reliance on information provided in a declaration signed by you or otherwise where it has acted in good faith as set out in tax law. If you have provided incomplete or incorrect information within the declaration, or have failed to provide a declaration, liability for any additional charge or tax or any unpaid tax will be deemed to fall solely on you or your beneficiary(ies) as appropriate; and the scheme administrator will be entitled to recover from you or any beneficiary's benefits under the account any charges or tax raised on it by HMRC. If the scheme administrator is unable to recover such tax or charges from your benefits under the TPP, you or your beneficiary(ies) will be personally liable to reimburse the scheme administrator.

- 9.26 While the intention is not to make any unauthorised payments, the scheme administrator will have the ability at its absolute discretion to make an unauthorised payment. Where it exercises such discretion, the scheme administrator will deduct such amounts as it reasonably believes cover any scheme sanction charge or any other charge arising as a consequence of making that payment from your TPP and/or (as relevant) the benefits paid.
- 9.27 The TPP *Terms and conditions* are governed by and are to be interpreted in accordance with the laws of England.

### Your protection

- 9.28 As a retail client you may be eligible to claim compensation from the Financial Services Compensation Scheme (FSCS) if Countrywide Assured is declared in default and unable to meet liabilities to you.
- Money held in the CASFS Designated Client Money Accounts are segregated from CASFS' own funds, but will be pooled with money held on behalf of other CASFS clients. This means that your money held by CASFS will be held as part of a common pool of money, so you will not have a claim

against a specific sum in a separate account; rather your rights will vest in the client money pool.

In the event of a bank failure, the Designated Client Money Account is not pooled with any other type of client money account.

If a default by a bank occurs and a shortfall arises, your claim in relation to money held will be limited to a share of the money held in the Designated Client Money Account with the bank.

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

You can find further information, including details of the extent and level of cover at [www.fscs.org.uk](http://www.fscs.org.uk) and in our factsheet *FSCS compensation limits* on our website or on request. You should note that certain clients, such as large trusts, may not have access to the FSCS.

### Where you can get help

- 9.29 If you have any queries please contact us at:
- Countrywide Assured  
PO BOX 13493,  
Chelmsford,  
CM99 2GP
- T 0333 155 600  
E [clientservices@countrywide-assured.co.uk](mailto:clientservices@countrywide-assured.co.uk)
- 9.30 If you are not satisfied with the service you receive you can contact us at the address shown above. If you are not satisfied with our response then you can complain to:
- Financial Ombudsman Service  
Exchange Tower  
London E14 9SR
- T 0300 123 9123  
E [complaint@financial-ombudsman.org.uk](mailto:complaint@financial-ombudsman.org.uk)  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)
- You (or your beneficiary) also have access to Money Helper. You can contact them at:
- MoneyHelper Pensions Guidance  
Money and Pensions Service  
120 Holborn  
London EC1N 2TD
- T 0800 011 3797  
E [pensions.enquiries@moneyhelper.org.uk](mailto:pensions.enquiries@moneyhelper.org.uk)

## Changing or replacing the *Terms and conditions*

- 9.31 We can amend these Terms on which we provide our services to you or in respect of your Transfer Pension Portfolio by giving you at least 30 days' written notice, unless shorter notice is required in order for us to comply with applicable laws and/or the regulator's rules. This would be for reasons such as:
- to make them fairer and/or more easily understandable;
  - to correct a mistake (provided that this correction would not adversely affect you);
  - to reflect a change in the law or any regulation (or the way in which they are applied);
  - to reflect a change in technology, to cover an improvement or change in our services or in the facilities that we provide;
  - to reflect a change in market conditions or the overall cost of providing our services to our client;
  - to ensure the good management or competitiveness of our business within the meaning of Section 58 of Part 2 of the Finance Act 2012.
- 9.32 None of these conditions can be modified or waived (unless this document expressly provides that they can be) except by an endorsement issued by us from our head office and examined and signed by one of our authorised officials.
- 9.33 These conditions reflect the pension tax provisions in the Finance Act 2004, as amended.

## Minor non-monetary benefits

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

## Data privacy

- 9.35 Countrywide Assured and CASFS are each regarded as a data controller within the meaning of the applicable data protection laws including, but not limited to, the General Data Protection Regulation (Regulation EU 2016/679), which means we are responsible for deciding how we hold and use your personal data.

In the course of providing our products and/or services to you, we will receive information from and about you. We take the security of your personal data seriously. We will only process your personal data in accordance with applicable data protection laws. Further information about the way in which we use your personal data is set out in the application form and the Countrywide Assured privacy statement which is available at [www.countrywideassured.co.uk](http://www.countrywideassured.co.uk)

Please keep the *Terms and conditions* document, the attached *Schedule* and any further schedules or endorsements we issue to you in a safe place. We will normally require you to return these documents to us before we pay benefits.

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