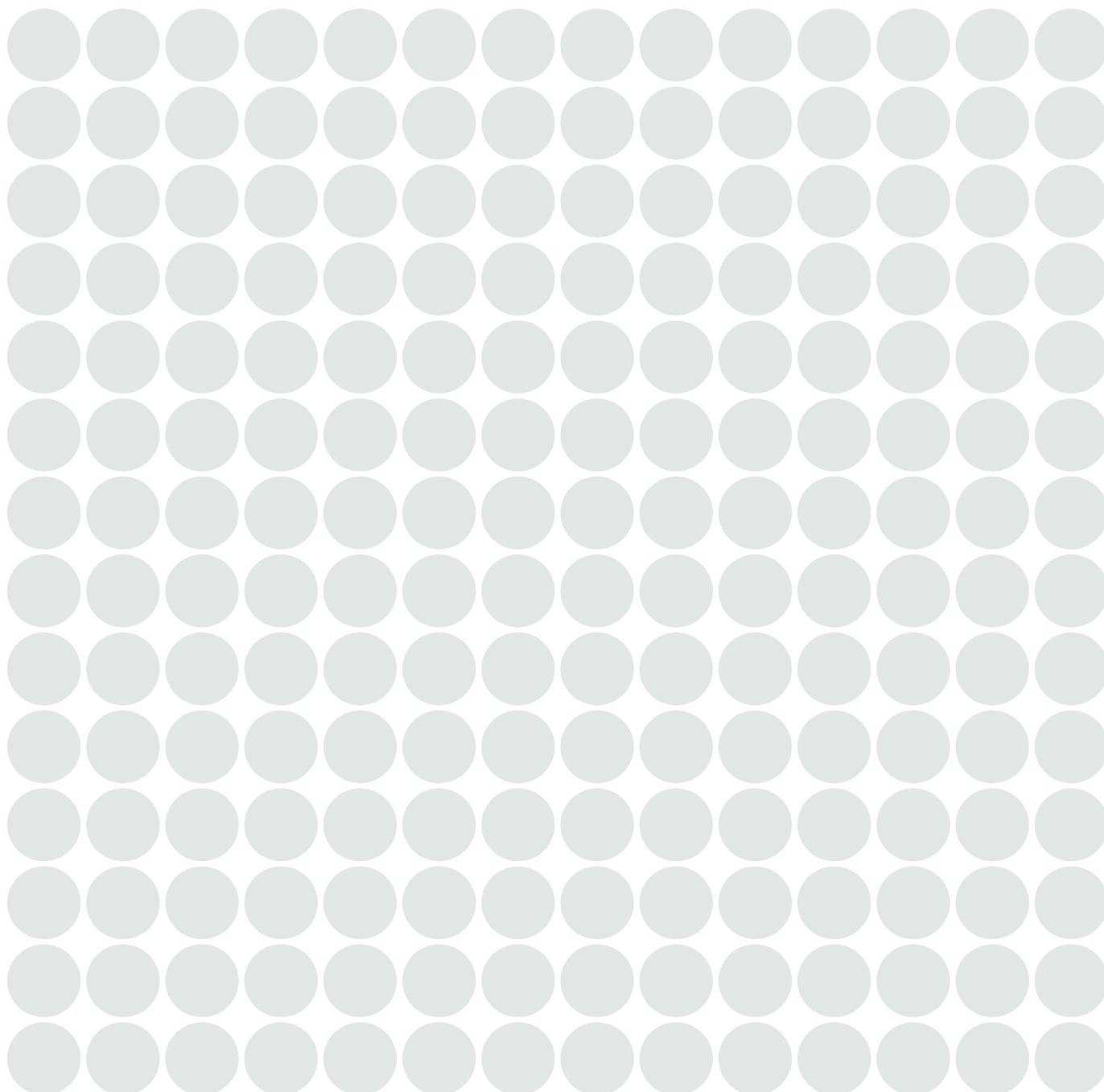


Zurich Portfolio

Terms and conditions



Contents

Introduction	3
The Zurich Portfolio wealth management service	3
The terms and conditions	3
Roles and responsibilities	3
Risks	3
Other documents	3

Section A – General terms and conditions..... 4

A1) Your contract with us	4
A2) Roles and responsibilities.....	5
A2.5) Trustee Correspondents	8
A3) Eligibility.....	8
A4) Applications	8
A5) Starting your accounts	9
A6) Cancellation rights	9
A7) Accessing your Zurich Portfolio online.....	10
A8) Payments into your accounts.....	11
A9) Assets	12
A10) Buying and selling assets	15
A11) Ownership and custody of assets	18
A12) Charges and adviser remuneration	19
A13) Disinvestment Strategies	23
A14) Withdrawals	25
A15) Ending the agreement with your adviser	26
A16) If you die	28
A17) Closing your Zurich Portfolio	28
A18) Changes we can make to these terms and conditions.....	28
A19) Corporate actions.....	29
A20) Other terms	30

Section B – Additional terms that apply specifically to the Zurich Retirement Account .. 34

B1) Roles and responsibilities	34
B2) Starting your Retirement Account.....	34
B3) Cancellation rights.....	34
B4) Payments into your Retirement Account.....	34
B5) Allowable assets.....	36
B6) Retirement Account charge	36
B7) Ownership and custody of assets	36
B8) Taking your benefits.....	37
B9) Choosing how to take your benefits.....	38
B10) If you die	41
B11) Transfers out	42
B12) Unauthorised payments	42
B13) Pension sharing order	43
B14) Closing your Retirement Account.....	43

Section C – Additional terms that apply specifically to the Investment Account..... 44

C1) Eligibility	44
C2) Starting your Investment Account	44
C3) Instructions	44
C4) If you die.....	44
C5) Closing your Investment Account.....	44

Section D – Additional terms that apply specifically to the Zurich Stocks and Shares ISA 45

D1) Roles and responsibilities	45
D2) Starting your Stocks and Shares ISA	45
D3) Cancellation rights	45
D4) Payments to your Stocks and Shares ISA	45
D5) Transfers in	45
D6) Asset holdings	46
D7) Shareholder rights.....	46
D8) Taking money out.....	46
D9) If you die.....	46
D10) Closing your Stocks and Shares ISA.....	47

Section E – Additional terms that apply specifically to the Zurich Cash ISA 48

E1) Roles and responsibilities.....	48
E2) Starting your Cash ISA.....	48
E3) Cancellation rights.....	48
E4) Payments to your Cash ISA	48
E5) Transfers in	49
E6) Taking money out.....	49
E7) If you die	49
E8) Closing your Cash ISA.....	49

Section F – Additional terms that apply specifically to the Zurich Portfolio Cash Account 50

F1) Roles and responsibilities.....	50
F2) Starting your Cash Account	50
F3) Payments to your Cash Account.....	50
F4) Taking money out.....	50
F5) If you die	50

Appendix A 51

Summary of Zurich's order execution policy for the Zurich Portfolio..... 51

Appendix B 55

Zurich Portfolio – Your privacy is important to us 55

Introduction

The Zurich Portfolio wealth management service

The Zurich Portfolio is a wealth management service provided by Sterling ISA Managers Limited, trading as Zurich – it is only available through your adviser – see section A2.2.

The Zurich Portfolio provides access to a range of Zurich accounts, each with a different tax treatment, through which you can invest in a range of assets. It allows you to have all your assets in one place and gives your adviser, or any investment adviser where applicable, the ability to manage those assets online, on your behalf.

Apart from Portfolios held by trustees your adviser can also record the value of other assets you own, so they can keep track of all your assets through your Zurich Portfolio.

Your adviser may agree to give you access to view your Zurich Portfolio online.

The terms and conditions

This document gives the terms and conditions of your Zurich Portfolio and the accounts we make available within it.

The purpose of this document is to set out how we will operate the accounts within your Zurich Portfolio.

Terms that apply generally to both your Zurich Portfolio and the accounts are provided in Section A. Additional terms and conditions that apply specifically to particular accounts are provided in the relevant sections B, C, D, E and F.

Should we change these terms and conditions in future, we will let you know in line with section A18. Your adviser will give you the latest set of terms and conditions whenever you take out a new account.

Roles and responsibilities

An explanation of the different roles and responsibilities are detailed in section A2.

Your adviser will give you financial advice, help you make decisions about your accounts and will give you the instructions in respect of the decisions you make. Through your adviser, you decide the payments that you make, how and when you take withdrawals or benefits from your accounts and what assets you invest in.

Your adviser may choose to invest your assets in a model portfolio managed by an investment adviser. Your adviser will explain the role and responsibilities of any investment adviser they appoint.

Access to certain assets and account features is dependent on you having an appropriately authorised adviser.

We will carry out instructions we receive from your adviser. Where instructions require us to buy or sell assets (as described in section A10), we will pass those instructions, together with the payment where relevant, to the appropriate fund manager, or our nominated stockbroker, in line with our order execution policy (see Appendix A) – they will be responsible for executing these instructions.

Risks

There are risks associated with investing – these largely depend on the assets you choose to invest in.

- The value of your accounts and the assets you invest in and any income you take is not guaranteed – you may get back less than you invest.
- If we or another financial institution that you are invested in fails, you could lose some or all of the money you've invested.
- Inflation may reduce the real value of your investments and any income you take.

Other documents

You should read these terms and conditions together with:

- the key features documents
- the Zurich Portfolio Asset guide
- your Charges information document, and
- for a Retirement Account, any illustration provided to you.

These documents are all available from your adviser; you should keep them, along with these terms and conditions, together with any subsequent terms and conditions, for future reference.

Section A – General terms and conditions

These general terms apply to your Zurich Portfolio and to all accounts within your Zurich Portfolio unless specifically excluded.

We have used plain English wherever we can but avoiding technical terms is not always possible. Where we use a technical term, we explain what it means.

When we refer to 'you' or 'your' we mean the holder(s) of the Zurich Portfolio and the accounts within it. For Portfolios held in trust the holders of the Portfolio and the accounts within it are the trustees.

When we refer to 'Zurich', 'us', 'our', or 'we', we mean Sterling ISA Managers Limited, trading as Zurich.

A1) Your contract with us

These are the terms and conditions of your Zurich Portfolio and each of the accounts available within the Zurich Portfolio. They form a legally binding agreement between:

- you, and
- us, acting in our capacity as the provider of (1) your Zurich Portfolio, (2) the accounts and also where applicable:
 - the ISA manager (see sections D1 and E1) and/or
 - the scheme administrator of the Retirement Account (see section B1).

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

Zurich, us, our or we

Refers to Sterling ISA Managers Limited, trading as Zurich. Sterling ISA Managers Limited uses the trading name 'Zurich' for the purpose of the Zurich Portfolio and the accounts available within it. Sterling ISA Managers Limited is part of the Zurich Group. We are authorised and regulated by the Financial Conduct Authority (FCA).

The Zurich Group

Zurich Insurance Group Ltd, a company registered in Switzerland, company number CH-023.3.020.5108 and its direct and indirect subsidiary companies, including branches of such subsidiary companies.

FCA

The Financial Conduct Authority or any replacement regulatory authority or authorities. We are authorised and regulated by the FCA for pensions and investment business and are bound by its rules. Our FCA registration number is 191278.

Your Zurich Portfolio and the accounts within it are only available to you through your adviser and your adviser will be responsible for managing and administering your Zurich Portfolio in line with section A2.2.

Zurich Portfolio

Your Zurich Portfolio is a wealth management service that enables you to invest in a range of accounts that you take out with us through an adviser.

Accounts

For individual and jointly held Portfolios, we currently make available the following range of accounts, each with a different tax treatment:

- Cash Account
- Investment Account
- Retirement Account
- Stocks and Shares ISA, and
- Cash ISA

For Portfolios held in trust the following accounts are available:

- Cash account
- Investment account

If these terms and conditions conflict with the FCA rules or any other applicable laws, the FCA rules or the other applicable laws will prevail.

FCA rules

The rules and regulations of the FCA, acting within the scope of the Financial Services and Markets Act 2000 or any successor legislation applicable from time to time to Zurich, your Zurich Portfolio, the accounts you hold within it and these terms and conditions.

Other applicable laws

Any statutes and other legislation as amended from time to time (except FCA rules) and any case law that applies now or in the future to Zurich, the accounts, these terms and conditions and you.

You should refer to the account specific sections of these terms and conditions for any additional terms that apply specifically to each account.

If there is a conflict between the terms and conditions set out in section A and the terms and conditions set out in the account specific sections, the terms and conditions set out in the account specific section will prevail.

A2) Roles and responsibilities

A2.1) Zurich's role and responsibilities

We are the provider of the Zurich Portfolio and the accounts within it as detailed in section A1.

We classify you as a 'retail client' under the FCA rules.

Retail client

This is the FCA categorisation of investor that is applied to you and that determines the level of regulatory protection you are afforded under the FCA rules. Retail clients (usually individuals) receive protection, for example, in relation to compensation or complaints.

We will:

- operate your Zurich Portfolio and your accounts within it in line with these terms and conditions, the FCA rules and any other applicable laws,
- use due care and diligence in operating your Zurich Portfolio and your accounts within it,
- act reasonably, proportionately and fairly and in line with the FCA rules or any other applicable laws, if we use our discretion, make a decision, require

information, evidence or use our judgement under these terms and conditions,

- act on an execution-only basis, meaning we do not give any financial, legal, tax or similar advice relating to your Zurich Portfolio, your accounts within it or any assets that you invest in,
- act on valid instructions we receive from your adviser and/or their appointed investment adviser(s) acting on their behalf,
- hold adviser remuneration and investment adviser charges which you have agreed may be deducted from your accounts as agent of the adviser or investment adviser,
- act on instructions we receive from any investment adviser your adviser has appointed in relation to paying their investment adviser charges from your accounts,
- transmit trading instructions to buy and sell assets to the appropriate fund manager, or our nominated stockbroker (see section A10.1), in line with our order execution policy (see section A10.1),
- hold your assets in line with the FCA rules on client money and the custody of assets as described in sections A11 and B7, and
- send you a half-yearly statement each April and October.

We decide the range of accounts that are available within the Zurich Portfolio and may in future stop making accounts available or make new accounts available. We will tell your adviser before we do this.

We may delegate some of our functions to sub-contractors in line with section A20.3.

Sub-contractor

A third party appointed by us to provide services in respect of the development and/or operation of the Zurich Portfolio and/or the accounts within it.

Adviser

A business or individual authorised and regulated by the FCA, including any appointed representative of the adviser, permitted by us to use the Zurich Portfolio online service and who has agreed with us terms of business relating to the use of the Zurich Portfolio online service.

We will not:

- provide discretionary asset management services or exercise any judgement on your behalf as to the merits of any instructions we receive or on any assets you invest in,
- be responsible for the performance of any assets you invest in. Fund managers are responsible for fund performance. The performance of all assets, including funds, will be affected by financial markets and other external factors,
- be responsible for the acts and omissions of any fund managers, advisers, investment advisers or our banking partner (described in section A9.3.1), except if they arise as a result of our negligence or wilful default in line with section A20.5,
- be responsible for a delay in the buying and selling of assets caused by the temporary unavailability of our nominated stockbroker's computer systems,
- be responsible for events beyond our reasonable control, in line with section A20.1.

A2.2) Adviser's role and their responsibilities

Your Zurich Portfolio is a wealth management service that is only available to you through your adviser.

Your adviser is responsible for:

- Providing you with financial advice and ensuring the Zurich Portfolio, the accounts within it, the assets you invest in and the choices you make are suitable for you.
- Administering your Zurich Portfolio, your accounts and your assets on an ongoing basis on your behalf, in line with your agreement with them. Note, if you are a trustee you remain responsible for administering the trust, in line with the trust deed, and therefore the outcome of any actions undertaken on your behalf.
- Explaining their fees for the services they provide and how you will pay them.
- Obtaining appropriate permission when giving us instructions. Where we receive instructions from your adviser that relate to an account held in joint names, or in trust, unless we are told otherwise, we will carry out those instructions on the basis your adviser has obtained the appropriate permissions from all account holders, or trustees, before they submit online instructions.

- Giving us instructions on your behalf, usually by submitting those instructions to us online, and ensuring such instructions have been executed correctly – only your adviser or the investment adviser managing a model portfolio can submit instructions to us online.
- Gaining your agreement before they invest your money in any model portfolios managed by investment adviser(s).
- Explaining the services provided by any investment adviser(s) appointed by them and the investment adviser charges that will apply to you for those services.

Your adviser will be responsible for giving us your instructions relating to buying and selling assets on your behalf, and may only do so where they have the appropriate FCA permissions. They may also choose to invest the assets held in your Zurich Portfolio in a model portfolio managed by an investment adviser, as described in section A2.3.

Your adviser must have agreed to our terms of business relating to adviser use of the Zurich Portfolio. We will then provide them with the appropriate access rights for the management and administration of your Zurich Portfolio. They will continue to have authority to act on your behalf until you have notified us that this authority has ended, or our agreement with your adviser ends.

Your adviser may agree to give you access to view your Zurich Portfolio online as described in section A7.

It is your adviser's responsibility, when selecting a model portfolio managed by an investment adviser, to ensure they understand the objectives, risk profile and volatility weightings of that model portfolio. They must also ensure that they have an appropriate agreement in place with the investment adviser to use the model portfolio and to be kept informed of any changes to it.

A2.3) Investment adviser's role and their responsibilities

With the exception of the Cash Account and Cash ISA, with your agreement, your adviser can allocate some or all of your investment to a model portfolio managed by an investment adviser, subject to the terms and conditions of each account. Your adviser can only invest in a model portfolio managed by an investment adviser who has an agreement with us allowing them to manage assets using the Zurich Portfolio online service.

Investment adviser

An appropriately authorised discretionary asset manager with whom we have agreed terms of business, and who manages model portfolios available through the Zurich Portfolio.

The investment adviser is responsible for setting up their model portfolios on the Zurich Portfolio online service, and for selecting the assets and weightings in line with the objectives of the model portfolio. They are also responsible for updating the model portfolio and ensuring that the assets and their weightings remain in line with the commercial objectives. The investment adviser will choose how frequently they need to make changes to your holdings to ensure they remain in line with the model portfolio.

By selecting a model portfolio managed by an investment adviser, your adviser gives the investment adviser authority to act on the adviser's behalf to buy and sell assets in your Zurich Portfolio, in line with the objectives of the model portfolio.

The investment adviser managing the investment will provide your adviser with enough information for your adviser to ensure the model portfolio is suitable for you.

The investment adviser must have agreed to our terms of business relating to their use of the Zurich Portfolio online service. We will provide them with the appropriate Zurich Portfolio access rights to create and manage their model portfolios. The investment adviser will only have access to view and manage the part of your investment your adviser allocates to their model portfolio.

The investment adviser will continue to have authority to manage the appropriate part of your investment until:

- you, or your adviser, notify us that your agreement with your adviser has ended, or
- the agreement between the investment adviser and us ends, or
- the assets managed by the investment adviser are sold or allocated back to your adviser for them to be managed, or
- the agreement between your adviser and the investment adviser ends.

If the agreement between your adviser and the investment adviser comes to an end, your adviser will be responsible for ensuring that all assets previously managed by the

investment adviser are moved back into the adviser's management. Your adviser will then be responsible for managing these assets in line with your instructions and their regulatory permissions.

Until the assets are moved back into the adviser's management, they will continue to be managed by the investment adviser in line with the relevant model portfolio's objectives. In addition, regular contributions already set up will continue to be invested in the model portfolio managed by the investment adviser and any charges being paid to the investment adviser in accordance with section A12.4.2 will continue to be paid.

Where your assets are in a model portfolio managed by an investment adviser, they will be responsible for ensuring that sufficient cash is made available to cover their charges.

A2.4 Your responsibilities

You will comply with all these terms and conditions in so far as they apply to your Zurich Portfolio and applicable accounts.

You agree that:

- while you have your Zurich Portfolio, you will retain an adviser who has an appropriate agreement with us to manage your accounts,
- your adviser will be responsible for providing your instructions to us on your behalf,
- where your adviser invests in a model portfolio managed by an investment adviser, the investment adviser has your full authority to buy and sell assets in line with the objectives of the model portfolio,
- where your adviser has selected one or more model portfolios managed by an investment adviser, we can act on instructions we receive from that investment adviser in relation to charges due to them, and you understand that we will rely on those instructions,
- you will notify us in writing as soon as possible if you are ending your agreement with your adviser,
- if your agreement with your adviser ends and you want to continue your Zurich Portfolio, you will appoint another adviser with an appropriate agreement with us. If there is a delay in doing so, we will restrict your access to certain assets and account features for which we require you to take advice as detailed in section A15,

- where you no longer want to continue to be invested in a model portfolio managed by an investment adviser, you must tell your adviser straight away,
- if you move to a country outside of the UK, you will tell your adviser of any change in your residency before such change becomes effective, in line with section A20.2,
- you will tell your adviser as soon as possible of any other change in your circumstances or status, for example, any change to your name, postal address, email address, bank or building society account or your tax status in the UK,
- you will help us prevent fraud, by telling us immediately if you do not recognise any transaction, or if you know or suspect that any instruction you have authorised has been carried out incorrectly,
- you will give us any information we reasonably require to complete any checks we undertake to verify your identity and/or provide any identification we reasonably request for anti-money laundering purposes, in line with section A20.12,
- you will promptly give us any additional information we require to operate your Zurich Portfolio or your accounts within it and which is reasonable for us to request, and
- where you open a Zurich Portfolio held in trust, you will provide us with a certified copy of the trust deed so that we can identify the authorised signatories. We will not check the trust requirements and will not regulate the actions of any trustees with regard to the trust requirements. As such, it is your responsibility to undertake only those actions which the trust permits (for example making investments or withdrawals).

A2.5) Trustee Correspondents

For Portfolios held in trust, one of the trustees will be assigned as the correspondent. The correspondent will be the designated recipient of any communications we send, via post or email, in relation to a Portfolio held in trust. As such, it is the correspondent's role to keep the other trustees up to date and informed about any information they receive from us. Your adviser may agree to give any trustee access to view their Portfolio online, as described in section A7.

A3) Eligibility

To be eligible to open an individual or jointly held Zurich Portfolio and any account within it, you must be at least 18 years old, UK resident and UK resident for tax purposes or, a crown employee serving overseas, or spouse or civil partner of a crown employee serving overseas. You may not take out a Zurich Portfolio if you are a US national. It is you and your adviser's responsibility to jointly determine whether you meet these eligibility criteria.

If you are unclear whether or not you are UK resident you may need to seek advice to make sure.

To be eligible to open a Zurich Portfolio held in trust the following rules apply:

- For a new Zurich Discretionary Trust or a new Zurich Bare Trust, the settlor(s) must be UK resident for tax purposes at the time the trust is created and the Zurich Portfolio is applied for.
- For an existing Trust either:
 - All trustees, at the time the Zurich Portfolio is applied for, must be UK resident for tax purposes; or
 - At least one trustee, at the time the Zurich Portfolio is applied for, must be UK resident for tax purposes and the settlor(s) must have been UK resident at the time the Trust was established.
- Charitable Trusts must be registered with the Charities Commission in the UK with a UK Charity Number.
- Pension Trusts must be for UK registered pension schemes with a Pension Scheme Tax Reference Number allocated by HMRC for approved pension schemes.

All accounts within your Zurich Portfolio must be held in the same name or names as the Zurich Portfolio. Any account specific eligibility requirements that apply to individual accounts are detailed in the relevant account specific section of these terms and conditions.

A4) Applications

A4.1) Applying for your Zurich Portfolio

To apply for a Zurich Portfolio, your adviser will complete and submit an electronic application on your behalf, along with any documentation we require. In addition, your adviser will give you a 'Declaration for your Zurich Portfolio' which we require you to read, sign and return confirming you have received the appropriate information from your adviser.

Declaration for your Zurich Portfolio

A declaration confirming you agree to these terms and conditions, in so far as they apply to your Zurich Portfolio and any accounts within it, and confirming that you have received the appropriate information from your adviser.

Your Zurich Portfolio will start when we accept your application and receive the relevant documentation.

We have the right to refuse any application for a Zurich Portfolio.

Your application for a Zurich Portfolio automatically includes an application for:

- a Cash Account, that will start in line with section F2, to facilitate the movement of cash in and out of your Zurich Portfolio and between your accounts within it, subject to any limitations explained in these terms and conditions, and
- an Investment Account, that will start in line with section C2, that enables you to invest in assets.

You may have more than one Zurich Portfolio. For example, you may hold a joint Investment Account with your spouse or civil partner in a joint Zurich Portfolio and an ISA or Retirement Account in a Zurich Portfolio in your own name.

In certain circumstances, such as if you have multiple Zurich Portfolios, or if Zurich Portfolio holders are married, in a civil partnership or are directly related family members (including a spouse or civil partner of a directly related family member), we may agree to the Zurich Portfolios being linked and the combined value of the eligible assets aggregated for the purposes of calculating the yearly portfolio charge, as described in section A12.1.1. Linking Zurich Portfolios is only possible where the combined value of the Zurich Portfolios is £200,000 or more at the time they are linked. We may ask you to provide evidence of your family relationship, and will refuse to link Zurich Portfolios, or remove an existing link, if you are unable to provide such evidence.

A4.2) Applying for other accounts

Once your Zurich Portfolio is opened, your adviser, on your behalf, can apply for other accounts where you meet the eligibility requirements for those accounts. Your adviser will complete and submit an electronic application for each account and will provide us with any documentation we require, including trust deeds for Portfolios held in trust.

Applications must be made together with a payment, and/or where you are opening an account with a transfer, a fully completed transfer authority and where appropriate, stock transfer or CREST transfer form.

Where necessary, we will also require registrar forms and share certificates.

Payment

Unless specified otherwise, a regular or one-off amount paid by you, or where appropriate on your behalf, in pounds sterling to any accounts you hold in your Zurich Portfolio.

We have the right to refuse any application for the relevant account.

A5) Starting your accounts

Both your Investment Account and Cash Account are available for investment from the date we accept your Zurich Portfolio application.

The start date of the account will be the date a fully completed account application is submitted online by your adviser. It will be activated when we receive either:

- your first payment, or
- a fully completed transfer authority.

We will issue you with your account documents on the activation of an account.

A6) Cancellation rights

On starting an account with a regular or one-off payment or cash transfer, we will send you a cancellation notice when we send you your account documents.

We will also send you a cancellation notice for each subsequent cash transfer authority we receive, when we receive it.

Unless you start your account by re-registering assets only, you will have a 30-day cancellation period that will start from the date you receive the cancellation notice.

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

- For a regular payment, we will repay the payment we received at the start of your account, less any adviser remuneration or investment adviser charges we have deducted on behalf of your adviser or investment adviser prior to processing your cancellation.

- For a cash transfer or one-off payment, we will return the payment, less any fall in the value of the assets purchased with that payment, less any adviser remuneration or investment adviser charges we have deducted on behalf of your adviser or investment adviser prior to processing your cancellation.

You may still be liable for any outstanding adviser remuneration or investment adviser charges which we have not deducted.

Any gain in the value of your assets up to the point at which you cancel will not be returned to you if you cancel an account during the 30-day cancellation period.

If you cancel a one-off payment or cash transfer, we will not refund to you any charges applied by third parties as described in sections A12.3.1 and A12.3.2.

On receipt of valid instructions to cancel, either in writing or by telephone, we will process instructions to sell any assets purchased with your payment or cash transfer within two business days of receiving those instructions. Following which the instruction will be transmitted in line with our order execution policy (Appendix A). We will not return a cancelled payment until the payment has cleared.

In writing

Clear written and signed instructions by post or as a scanned document attached to an email. See section A20.16 for contact details.

Business day

A day on which commercial banks are open for business in London, except a Saturday, Sunday or a bank holiday in England.

We will return payments to the source from which we receive them.

Where you start an account by re-registering assets only, as described in section A8.3, you will have 14 days from the date you sign your authority to notify us that you do not want to proceed by contacting us using the details in section A20.16. Where possible, we will stop the re-registration of assets. However, if the process to re-register assets has already started, we will be unable to stop the transaction. In this event we will tell your adviser and you will need to arrange to re-register the assets before we can cancel the account.

Additional cancellation terms apply to the Retirement Account, Stocks and Shares ISA and Cash ISA as detailed in sections B3, D3 and E3.

A7) Accessing your Zurich Portfolio online

This section only applies if you have been provided with online access to view your Zurich Portfolio. This may be requested by your adviser on your behalf and we may then agree to give you access.

Your access will allow you to view your Zurich Portfolio, accounts and any documentation that we have issued to you. You will not be able to make any changes or give any instructions online.

We will send you a username and password. When you first log on, you will be required to confirm your agreement to our terms of use for the Zurich Portfolio online service. In addition, you must change your password and set up a memorable word and answers to security questions. You must always keep these details secret.

We will take reasonable steps to ensure your Zurich Portfolio is available to view online. There will be times when we need to interrupt our online service to perform maintenance.

Your Zurich Portfolio has an online document library that allows you to view account literature and other documents and statements that we send to you.

Your Zurich Portfolio has a notepad function enabling your adviser to capture details of other assets you own. The notepad function will not be available for Portfolios held in trust.

Notepad

This can be used by your adviser to record the value of other products and assets that you hold outside your Zurich Portfolio, so your adviser can keep track of all your investments in one place. Your adviser is responsible for keeping information about these investments up-to-date.

If you have more than one Zurich Portfolio, we will issue you with a separate username and password for each one.

Under exceptional circumstances, such as where we suspect fraud or, in our reasonable opinion, you have breached these terms and conditions or the terms of use for the Zurich Portfolio, we may suspend your online access to your Zurich Portfolio.

If you have online access, you may choose to have correspondence made available to you electronically. Where you select this option, we will send you a weekly email to let you know when you have new correspondence to view online.

It is not currently possible to do this for all correspondence and, we will send certain items to you by post.

It is your responsibility to ensure that the email address supplied is correct and your email settings are enabled to receive emails from Zurich.

A8) Payments into your accounts

Subject to any restrictions detailed in sections B4, D4, E4 and F3, you can make regular payments to your accounts by direct debit or one-off payments at any time, either by cheque, BACS or CHAPS, or from your Cash Account. Regular payments are not available for Portfolios held in trust.

Where regulations allow, you can also transfer in the cash value of your existing investments. We may change these requirements in future by amending the terms and conditions in line with section A18.

BACS

The electronic Banks Automated Clearing System run by banking institutions.

CHAPS

The Clearing House Automatic Payments System, an electronic bank-to-bank same-day payments system run by CHAPS Clearing Company Limited.

Subject to section A20.12, on identification of a payment for an account and receipt of all required information in A20.12, together with the receipt of any other information that we reasonably request, we will match the payment with the associated instructions from your adviser and, where applicable, process trading instructions to buy the assets specified as soon as reasonably practicable and in line with our order execution policy (see section A10.1).

We will treat these matched payments as immediately available for trading, we will not wait for them to clear. If we are unable to match the payment with an instruction from your adviser, we will contact your adviser to request such instructions. In the event we are unable to contact your adviser, we will return the payment.

We will return payments to the bank or building society account from which they were received in the event that:

- we receive a payment before we receive your signed Declaration for your Zurich Portfolio, as described in section A4.1, or
- if we receive an unexpected payment that we are unable to match with instructions from your adviser, as described in section A10.1.

We have the right to refuse any payment.

A8.1) Regular payments

This section does not apply to Portfolios held by a trust.

You can make regular payments monthly, quarterly, half-yearly and yearly by direct debit from a bank account that we have verified for the purpose of fraud prevention. You can start and stop regular payments at any time. The selected payment date must be from the 1st to 28th of the month.

We will process direct debit instructions as soon as reasonably practicable after we receive them. Where the first direct debit payment is due within eight business days of the date we process the instruction, we will take the payment eight business days from the date it is processed. We will take all subsequent direct debits on the selected payment date or, if the payment date is not a business day, on the next business day.

To change a regular payment being taken by direct debit, the existing regular payment must be cancelled and a new regular payment set up. Once it has been set up, we will confirm the new regular payment amount to you.

A8.2) Failed payments

Where we buy assets on your behalf and the cheque does not clear or a direct debit, BACS, CHAPS or other payment is not honoured, we will sell any assets we have bought on your behalf in expectation of that payment.

We will hold you responsible for any investment loss we incur from transactions resulting from any payment that is not honoured, up to the value of your account.

If that failed payment is into a model portfolio managed by an investment adviser on your behalf, the sale of assets in this instance will be aligned to the model portfolio target asset allocation. This may result in you then holding more or less units in each fund than before that failed payment. Your Adviser will explain to you how this works and what it could mean to you.

We will do this by deducting it from available cash and, if there is insufficient available cash, by selling assets in line with your disinvestment strategy which is described in section A13.

A8.3) Transfers by re-registration

With our agreement, you will be able to transfer in assets by the re-registration of your existing assets from an existing provider to the Retirement Account as part of a pension transfer as detailed in section B4.1, Investment Account or Stocks and Shares ISA, as appropriate. You can ask your existing provider to re-register assets they hold on your behalf. This will depend on their willingness to do so and us offering the exact same asset(s) in the account to which you want to re-register them.

Where the assets you want to be re-registered are owned by you personally, it will only be possible to re-register them into your Investment Account. If a fee is payable to the registrar for the re-registration of these assets, you will be required to pay this as described in section A12.3.2.

Re-registration

The transfer of asset holdings from one investment provider to another, without selling those assets. This is sometimes known as an in-specie transfer.

A9) Assets

We will make a range of asset types available, including cash, mutual funds, non-retail funds and exchange-traded assets. More information about the assets we provide access to and the risks associated with them, is provided in the Zurich Portfolio Asset guide, available from your adviser.

The types of asset available to you may be limited by the range of assets your adviser and/or any investment adviser(s) they appoint are permitted to trade by the FCA.

Assets have risks associated with them and some assets may take some time to sell. Your adviser will explain the risks associated with the assets you invest in.

We may, acting reasonably, vary the assets we allow under any accounts. If you are invested in an asset that stops being available, we will tell your adviser or their appointed investment adviser(s) what the options are at that time – this may include a requirement for the asset to be sold. Your adviser can tell you about the range of assets currently available.

The definitions below explain some of the terms we use to describe some of the assets available throughout the terms and conditions.

Mutual funds

A range of collective investment schemes including:

- unit trusts,
- open ended investment companies (OEIC),
- Luxembourg based société d'investissement à capital variable (SICAV),
- Dublin based open ended investment companies (OEIC), and
- any other collective investment scheme we make available to you through your accounts.

Non-retail funds

These are funds that we make available through your accounts that are not generally promoted to retail clients. For example:

- FCA recognised funds
- professional/experienced investor funds, or
- specialist funds.

Exchange-traded assets

Any UK-listed sterling denominated securities we make available through our nominated stockbroker, including:

- Shares
 - Permanent Interest bearing shares
 - Government bonds (Gilts)
 - Corporate bonds
 - Exchange-traded funds (ETFs)
 - Investment trusts, or
- any other exchange-traded asset we make available to you through your accounts.

A9.1) Investment strategy

It is your responsibility, together with your adviser, to choose, from the available range, the assets in which to invest your payments and cash transfers.

Each time your adviser sets up a one-off payment, cash transfer or ongoing regular payment, your adviser must advise us of your investment strategy specifying what assets to buy with it. You can have a different investment strategy for each one-off payment, cash transfer or ongoing regular payment that is set up.

If your investment strategy includes a model portfolio then the payments will be allocated to it in the proportions of assets in which the model portfolio is invested. If your investment strategy includes a model portfolio managed by an investment adviser then your payments will either be allocated in line with the asset weightings or, if you are already invested in the model portfolio which needs rebalancing then you can buy the most underweight asset first to bring that back up to the target asset allocation, followed by the next most underweight asset, and so on. This will depend on how the investment adviser decides to manage the model portfolio. Your adviser will be able to tell you how your payments will be allocated.

If your investment strategy includes an asset that is subsequently subject to a corporate action described in section A19, which results in the asset no longer being available for investment, any future regular payments relating to that asset will be held as available cash in the relevant account until we receive alternative instructions.

A9.2) Asset values

The value of your accounts may increase or decrease depending on the performance of the assets within them. We are not responsible for any loss in the value of your assets that may arise, unless it was caused by our negligence, fraud or wilful default in line with section A20.5.

A9.3) Cash holdings

Where we refer to cash we mean:

- cash held in your Cash Account or Cash ISA, and/or
- available cash held within your other accounts
- committed cash held within your other accounts.

A9.3.1) Interest on cash

Our banking partner pays us a variable rate of interest on cash holdings as described in section A9.3 and they have the discretion to change the rate without notice. If they do, we will pass on any such change as soon as we reasonably can.

Banking partner

Cash holdings as described in section A9.3 are held with our banking partner, currently the Royal Bank of Scotland plc (RBS). We may replace our banking partner, or appoint other banking institutions as banking partners at any time.

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

Cash holdings will earn interest from the day they become cleared funds in an account within your Zurich Portfolio. As described in section A11, we hold cash as client money in pooled bank accounts with our banking partner. Where we receive a payment or other cash amount, it will not earn interest until the account to which it relates has been identified and the money has cleared and been credited to that account.

Examples of when payments or cash transfers cannot be allocated to an account include where:

- the account has not been opened,
- we are unable to identify who sent us the money,
- we have received a cash transfer without all the required information from the transferring provider,
- it is not clear to which of your accounts the money relates.

Interest is calculated daily and credited to your accounts on the first business day of each month.

If you have access, you can find out the current interest rate by looking at your account online, otherwise you can find out by asking your adviser. The current interest rate will also be detailed in the Charges information documents you receive, including the Charges information document sent with your half-yearly statement. The amount of interest we retain is detailed in section A12.1.2.

A9.4) Investment income

Investment income, generated by the assets in which you invest, will be paid as cash to the account in which the assets are held and will start earning interest in line with section A9.3.1.

Investment income will be held as available cash in the relevant account until your adviser instructs us otherwise.

Any investment income generated by the assets held inside a model portfolio managed by an investment adviser will be held as committed cash inside the model portfolio until the investment adviser instructs us otherwise.

In the event that we receive investment income after you either withdraw the full value of an account, or transfer the full value of an account to another provider, we will pay that money to the same bank account or product provider to which we paid the withdrawal or transfer payment, as soon as reasonably practicable after we receive it. If your new account provider is unwilling to accept the payment, we may pay the money to you.

If less than £1 becomes payable to you, we reserve the right to retain it and treat it as an additional miscellaneous charge. We reserve the right to increase this limit in the future. If we do, we will notify you in accordance with section A12.2.

A9.5) Rebates

Where we receive instructions before 6 April 2014 to make an investment into a mutual fund, or you have set up and not subsequently altered regular contributions into mutual funds that started before 6 April 2014, the mutual fund manager may pay annual management charge rebates.

We will calculate any rebates due from fund managers on a daily accrual basis, in line with the level of rebate agreed with individual fund managers. We will credit your accounts with the amount we calculate less any deductions required by HMRC regulations where applicable. This may be more or less than the amount we actually receive from the fund managers.

We will calculate any rebates due at the frequency agreed with your adviser and credit them to your account on a date determined by either, the date your adviser submits the electronic application for that account, as described in section A4.2 or, where a drawdown pension arrangement has been set up, the date this arrangement is authorised by us, as described in section B9.4.2. If the calculation date isn't a business day we will calculate it on the previous business day. If the date does not occur in a particular month, we will calculate it on the last business day of that month.

The amount we calculate will be held as available cash in the relevant account until your adviser or investment adviser instructs us otherwise.

Annual management charge rebates cannot be paid where investments into mutual funds or regular payments into mutual funds were set up on or after 6 April 2014.

A9.6) Phased investment

You may elect to invest a one-off payment, cash transfer or existing available cash as part of a phased investment strategy. This option is not available on the Cash ISA, Cash Account or cash transfers to a Retirement Account.

To set up a phased investment strategy, your adviser must specify an investment amount (for example, a one-off payment), the length of time over which you want to spread the investment and an investment strategy as described in section A9.1.

We will ring-fence that investment amount so that it is held as committed cash in the relevant account and cannot be used for charges or to pay adviser remuneration before it is made available for investment as part of your phased strategy. Each month we will use a portion of the investment amount to buy assets in line with your investment strategy.

However, if you have any outstanding Zurich Portfolio charges, investment adviser charges or adviser remuneration on your account when the investment amount is received, any cash which is made committed for investment as part of your phased strategy may then be used to pay them. If this reduces your available cash to less than that required to fund your phased investment strategy, the scheduled trades will not complete.

The proportion of the investment amount we use to buy assets each month depends on the investment amount and the length of time you choose to spread the investment over – this must be a period, in months, of between 3 and 12 months. We will calculate the proportion by dividing the investment amount by the number of months. For example, if you choose to invest £6000 over 3 months, each month we will use £2000 to buy assets in line with your investment strategy.

Your adviser may set up one or more phased investment strategies at any time. The investment strategy may be different for each phased investment strategy you set up.

On receipt of trading instructions, we will automatically match them with the committed cash. We will transmit instructions to buy assets on the same date each month, starting the day after we match the instructions from your adviser with committed cash. We will subsequently transmit such instructions on the same date each month, unless this is not a business day, in which case it will be the next business day. A residual amount, including any interest earned, will remain as available cash at the end of the phased investment period.

A9.7) Model portfolio

Model portfolio

One or more pre-determined investment strategies reflecting a particular risk profile or asset mix, available through your accounts. These are provided either directly by your adviser, investment adviser(s), or through a specialist third party.

Your adviser may identify that it is suitable for your circumstances, to invest some or all of your account in a model portfolio. Where they do so, they will be responsible for ensuring your asset holdings continue to reflect that model portfolio. If the model portfolio changes, it is their responsibility to decide whether that change is suitable to your circumstances and provide us with appropriate instructions.

Your adviser may identify that it is suitable for your circumstances to invest in a model portfolio managed by an investment adviser.

It is your adviser's responsibility to ensure any model portfolio managed by the investment adviser continues to remain appropriate for your circumstances. The investment adviser is responsible for managing your asset holdings in their model portfolio to ensure that the holdings continue to reflect the model portfolio design. Your adviser will be able to tell you how often the investment adviser will review the model portfolio holdings. We will not manage any model portfolio on behalf of you, your adviser or any investment adviser(s).

Where your adviser submits an instruction to sell all assets in a model portfolio which contains an asset that is not available to sell at that time, the order to sell all assets within the model portfolio will be cancelled.

Where you are invested in a model portfolio managed by an investment adviser, they may choose to close that model portfolio. In such circumstances, the investment adviser may choose to move the assets you hold out of their model portfolio and back into the control of your adviser.

Where your adviser submits an instruction to sell 95% or more of a model portfolio managed by an investment adviser, the investment adviser will sell the full value of the model portfolio.

When a purchase of assets within a model portfolio coincides with a sell instruction linked to an income payment strategy for a regular withdrawal, the sale may be delayed for one day to allow the purchase to complete. This will not affect the final payment date of a withdrawal. If on the following business day the sale instruction cannot be processed, the regular withdrawal will not take place. Your adviser will be informed if this happens.

A9.8) Non-retail funds

These will only be available to you if your adviser or their appointed investment adviser(s) is appropriately authorised to give advice relating to non-retail funds or any other funds usually restricted to professional investors, and generally unavailable to retail clients.

It is the responsibility of your adviser to:

- fully consider the suitability of any such assets for your circumstances,
- ensure you are eligible to invest in such assets under applicable legal and regulatory rules,
- communicate to you the loss of any investor protection or compensation rights as a result of investing in such assets,
- provide you with all appropriate documentation relating to the chosen asset, and

- ensure you are aware of the potential consequences of investing in such assets, including any:
 - additional investment risks,
 - additional charges, costs and expenses,
 - minimum investments, and/or
 - restrictions on buying and selling.

Non-retail funds may not be covered by the Financial Services Compensation Scheme which is described in section A20.8.

A10) Buying and selling assets

Your adviser or their appointed investment adviser(s) will give us online trading instructions to buy and sell assets on your behalf. We will transmit those instructions to the appropriate fund manager or our nominated stockbroker, who will, once it has confirmed receipt of the instruction, execute that instruction to buy or sell assets.

We usually produce a trading statement at the end of each business day in which a trade is completed, this includes confirmation for each completed buy and/or sell trade made that day.

Where buy or sell trades relate to regular payments or regular withdrawals, a trading statement will only be produced for the first payment or withdrawal. However, if regular payments or withdrawals include exchange-traded asset transactions, a trading statement will always be produced.

The price at which an asset is bought or sold will be the price at the time the trade is confirmed by the fund manager or nominated stockbroker as applicable. The timing of the confirmation will depend on when we receive the instructions from your adviser or their appointed investment adviser(s), the type of asset and the trading terms applied by the asset provider.

When you buy gilts, you will incur an additional cost representing the interest accrued since the last interest payment was made, this will be paid to the seller. When you sell gilts, you will receive a credit equivalent to the interest accrued since the last interest payment was made.

A10.1) Trading instructions

Instructions relating to the buying and selling of assets must be given online by your adviser or their appointed investment adviser(s).

Where applicable, we will process trading instructions by transmitting them to the appropriate fund manager, or our nominated stockbroker, in line with our order execution policy.

Nominated stockbroker

The stockbroker(s) that we nominate, to enable you to access exchange-traded assets as described in section A9.

Order Execution Policy

Our order execution policy details the arrangements we have in place to enable us to seek to deliver the best possible result for you when dealing with trading instructions. We monitor the effectiveness of this policy and may update it from time to time. A summary of this policy is detailed in Appendix A.

Our nominated stockbroker provides an execution-only dealing service. This means they will not advise you about any particular asset or instruction, or assess whether any asset or instruction is suitable for you.

We also act on an execution-only basis, meaning we do not give any advice relating to your Zurich Portfolio, your accounts or assets you invest in. You and your adviser and/or their appointed investment adviser(s) are responsible for investment decisions.

For exchange-traded assets, we will only be able to commit to carry out a trading instruction once our nominated stockbroker has confirmed its receipt.

Trading instructions we transmit to mutual fund managers, or our nominated stockbroker, will be executed by them in line with their order execution policies.

A10.2) Buying assets

We will transmit trading instructions to buy assets to the appropriate fund managers, or our nominated stockbroker in line with our order execution policy, a summary of which is set out in Appendix A. We will only process these instructions after we have received the information that we reasonably request and matched the trading instruction with the appropriate payment, or cash transfer (see section A8), or available cash in your account, or on confirmation of a sell instruction. Where your trading instruction is matched with available cash that cash becomes committed cash until the trade has completed.

Cash will be available unless it is ring-fenced for another purpose.

Investment instructions will be placed on an 'at best' basis unless your adviser specifically requests 'quote and deal'.

'Quote and deal' instructions can only be placed online at times when the execution venue, described in our order execution policy summary, is available for business and

where there is already sufficient available cash in the applicable account to complete the transaction – it may not be available for certain assets or deal sizes.

Your adviser can provide investment instructions for exchange-traded assets on a 'quote and deal' or an 'at best' basis. Investment advisers managing model portfolios can only submit instructions for exchange traded assets on an 'at best' basis. These terms are explained in our order execution policy summary.

A10.3) Selling assets

Where we receive an appropriate instruction to sell an asset, together with any other information that we reasonably request, we will transmit the instructions to the appropriate fund manager or our nominated stockbroker as soon as is reasonably practicable and in line with our order execution policy, a summary of which is set out in Appendix A.

On receipt of confirmation of the sell instruction from the appropriate fund manager or our nominated stockbroker, the proceeds will be immediately available in the relevant account.

When you come to sell assets, you should be aware that:

- it may take a long time to sell certain assets, for example, where there is not a readily available market,
- some assets cannot be sold until the end of a specified period, and
- some assets may incur early exit charges.

Your adviser is responsible for telling you about any limitations on the sale of assets and any charges that may apply, including those held by an investment adviser.

We will transmit instructions to the asset provider or our nominated stockbroker, they will decide whether they can complete that instruction and will, where appropriate, deduct any exit penalties before sending the cash proceeds to us.

A10.4) Incomplete transactions

In some circumstances it may not be possible to execute a transaction. This may happen if an asset is not tradeable when the instruction is placed because, for example:

- a fund has been closed to new investment, or
- an exchange-traded asset has been suspended.

It is the responsibility of your adviser, or their appointed investment adviser(s), to ensure that the instructions that they place on your behalf have been transacted. We will only provide confirmation of completed transactions.

Where a failed transaction relates to a buy instruction, the amount relevant to that transaction will remain in the relevant account as committed cash.

A10.5) Order aggregation

When buying or selling holdings in mutual funds, we, or any person dealing with instructions on our behalf, may aggregate your transactions in a particular fund on a particular day with those of other Zurich Portfolio holders buying or selling holdings in the same fund and on the same day. The costs of such aggregated transactions will be allocated on a fair and reasonable basis.

Trades that your adviser places through our nominated stockbroker are not aggregated with other customers' orders. However, where you are invested in a model portfolio managed by an investment adviser, any trades they place for you through our nominated stockbroker are aggregated with other orders placed by investment advisers for other customers. The orders an investment adviser places for you through our nominated stockbroker will be to buy or sell a specified value of exchange traded assets (e.g. £500) rather than a specified number of exchange traded assets. An investment adviser may give us instructions to buy or sell a specified value of a particular exchange traded asset, plus up to the value of one additional unit of that same exchange traded asset. This assists the aggregation process and ensures the investment adviser's orders will buy or sell a whole number of the relevant asset for your investment adviser model portfolio. If you do not have available cash in your investment adviser model portfolio to pay this additional amount on a purchase, we will use the investment adviser disinvestment strategy in A13.2 to pay it.

The times at which orders in exchange traded assets for your investment adviser model portfolio are aggregated together with other orders and placed with our nominated stockbroker are selected by the investment adviser.

Where transactions are aggregated, it is possible that the cost to you could be higher than if the transaction had not been aggregated. For example, for transactions in mutual funds, this may occur if more money is flowing out of a mutual fund than into it, and the fund manager reduces the unit price of the fund to protect the remaining investors. In such circumstances, we will usually treat this reduced unit price as the relevant value for your transaction, adjusted if necessary, to take account of any associated buying and selling costs.

A10.6) Deferring transactions

Acting reasonably, we may delay or suspend the transmission of any trading instruction to a fund manager, or our nominated stockbroker, for any of the reasons detailed in our order execution policy, a summary of which is set out in Appendix A. We will not be liable for any losses caused to you by our decision to delay or suspend a trading instruction, unless it was caused by our negligence, fraud or wilful default in line with section A20.5.

Where possible, we will transmit a deferred trading instruction at the next available opportunity. Otherwise we will cancel the transaction and inform your adviser or their appointed investment adviser(s).

Our nominated stockbroker or any fund manager may delay or suspend the execution of any trading instruction. The circumstances in which they may do this are detailed in the relevant fund or asset manager's simplified prospectus, key information document, supplementary information document or in our nominated stockbroker's order execution policy. These can be obtained for you by your adviser.

Where we receive a trading instruction to buy assets in a fund using the proceeds from assets sold in another fund, known as a 'switch', sometimes the fund from which units are being sold can have a longer settlement period than the one in which the units are being purchased.

Where this occurs, we are required by the FCA to ensure we have sufficient assets available to cover the liability which arises between the purchasing of the units and our receiving settlement from the fund in which units have been sold. We may defer the purchase of units in a fund, pending receipt of the proceeds of the related sell instruction, where we reasonably believe that the level of the assets, which we are required to hold in respect of our customers, may adversely affect our liquidity. If we have to delay a transaction for this reason, we will contact whoever sent us the instructions as soon as we reasonably can to let them know this and we will keep them informed about when the transaction may complete.

A10.7) Correcting trading errors

If, following the execution of a trading instruction, we determine that your asset holdings are incorrect, we will return you to the position that you would have been in had that trading instruction been executed correctly. Where possible and subject to section A9.4, we will correct the asset holding by buying or selling the appropriate number of units or shares in the applicable asset. Where the amount due to your account is less than £10, or if more than £10, less than the value of a single

unit or share, or if the fund manager will not accept the trade, we will pay the difference as cash into the relevant account and not buy any units or shares. Should legislation or regulation prevent us from making such a correction to your account, we will determine an appropriate method of redress and inform your adviser.

A11) Ownership and custody of assets

This section does not apply to holdings in a Retirement Account. Details relating to Retirement Account holdings are covered in section B7.

Unless the account is assigned or in trust, you will at all times remain the beneficial owner who receives, or has the contractual right to receive the proceeds of the assets and cash held in your accounts. If an account has been assigned or in trust, the beneficial ownership will depend on the terms of the assignment or the trust deed.

We are responsible for making arrangements for the holding of your assets as follows:

- **Mutual funds**

Your mutual funds holdings will be registered in the name of Sterling ISA Managers (Nominees) Limited, together with those of other customers of Sterling ISA Managers Limited and we are responsible for holding those mutual funds.

As holdings in mutual funds will be registered in the same name as other customers, they may not be immediately identifiable by separate certificates of title.

Sterling ISA Managers (Nominees) Limited

We have appointed Sterling ISA Managers (Nominees) Limited as our nominee to hold assets on our behalf. Sterling ISA Managers (Nominees) Limited is not authorised by the FCA. However we are regulated by the FCA, and accept full responsibility for Sterling ISA Managers (Nominees) Limited's acts and omissions as our nominee.

We will identify, record and hold all such holdings separately from any of our assets in such a way that we can identify and locate those assets at any time.

Any certificates of title or other evidence of title in respect of our unit holdings of mutual funds will be held by us or as we direct.

- **Exchange-traded assets**

We will arrange for your holdings in exchange-traded assets to be registered in the name of our nominated stockbroker's appointed custodian's nominee company,

or if applicable, its sub-custodian's nominee company, together with those of other Zurich Portfolio holders. Our nominated stockbroker's appointed custodian, or sub-custodian, will be responsible for holding your exchange-traded assets.

As holdings in exchange-traded assets will be registered in the same name as other customers, they may not be immediately identifiable by separate certificates of title. Any certificates and other documents of title relating to the exchange-traded assets will be held by our nominated stockbroker's appointed custodian or sub-custodian, or as we may otherwise direct.

Apart from the circumstances detailed in section A20.5, we will be responsible for the acts and omissions of our nominated stockbroker and its appointed custodian or sub-custodian. However, in the event that our nominated stockbroker or its appointed custodian, or sub-custodian, becomes insolvent, there is a risk that there will be a shortfall in the amount of assets available for distribution and that only a proportion of your full entitlement might be recovered. We will use our reasonable endeavours to recover any loss on your behalf.

- **Cash**

Cash due to your accounts, available and committed cash in your accounts, along with cash in your Cash Account and Cash ISA, will be held by us as client money and deposited in one or more pooled bank accounts with our banking partner. We keep client money separate from the cash that belongs to us in line with the requirements of the FCA rules.

Client money is held as part of a common pool of money across all our customers, so you will not have a claim against a specific sum in a specific account in the event of our insolvency or the insolvency of any of the banks, including our chosen banking partner, with which we keep client money. Your claim will be against our client money pool in general. Should there be a shortfall in the client money pool after such an insolvency, the FCA rules mean that you may have to share in the shortfall in proportion to your original share of the claims to that client money immediately before the insolvency.

In the event of any shortfall, you may be able to claim compensation from the Financial Services Compensation Scheme. Please see section A20.8 for more details on compensation.

A12) Charges and adviser remuneration

The charges that apply will depend on:

- the accounts you invest in
- the overall value of your Zurich Portfolio and any linked Zurich Portfolio(s)
- the terms of our agreement with your adviser
- the charges that relate to the assets you hold in your accounts, including any investment adviser charges for managing a model portfolio, and
- the terms of your agreement with your adviser for the services they provide to you.

Information about the specific charges that apply to your Zurich Portfolio and the accounts within it are detailed in your Charges information documents. Asset charges, and details of investment adviser charges, are available from your adviser.

Charges information document

This document specifies the charges and remuneration that apply specifically to your accounts within your Zurich Portfolio. We will send this to you when an account is first opened (a copy is also available from your adviser and with your half-yearly statements). We will issue you with a new Charges information document if there is a change in a charge we, your adviser or an investment adviser applies. We will not issue a Charges information document for changes to asset charges.

A12.1) Zurich charges

We apply the following charges. Your Charges information document shows the specific charges that will apply to each account.

A12.1.1) Zurich Portfolio charge

We will apply a yearly portfolio charge to the accounts within your Zurich Portfolio. The charge is calculated based on the value of all your assets held in your Zurich Portfolio, excluding where applicable, any cash held in your Cash Account, Stocks and Shares ISA or Cash ISA.

Any cash held within a model portfolio operated by an investment adviser within your Stocks and Shares ISA will be included within the calculation of the yearly portfolio charge.

The charge that we apply to your Zurich Portfolio will be affected by the terms of our agreement with your adviser firm and may increase, but not above the standard charges

shown below, if you change your adviser firm. If, for any reason, you do not have an adviser for a temporary period, the charges shown below will apply.

The following table shows how our current standard Zurich Portfolio charge is banded.

0.350%	on the first £99,999.99
0.300%	on the next £150,000
0.270%	on the next £750,000
0.220%	on holdings of £1,000,000 and above

For example:

On a Zurich Portfolio value that remained at £200,000 on every day for a complete year (excluding cash held in a cash account, Stocks and Shares ISA or cash ISA) the yearly charge will be:

0.350%	on £99,999.99	=	£350.00
0.300%	on £100,000.01	=	£300.00
Total portfolio value			£200,000.00
Total yearly charge			£650.00

This charge is calculated and accrued daily and will be deducted monthly from available cash in the applicable accounts in proportion to the overall value of the applicable accounts within your Zurich Portfolio.

We will deduct the charge on the same day each month and this will be determined by the date that your adviser first set up your Zurich Portfolio. This may be prior to the date they submit the application as described in section A4.1. If this was the 29th, 30th or 31st, where necessary, we will deduct the charge on the last day of the month. Where the charge is due on a non-business day, we will deduct it on the next business day.

If the charge is greater than the value of available cash in the relevant account, we will sell enough assets to make up the difference, in line with your selected disinvestment strategy, as described in section A13.1.

Where we agree to link one or more Zurich Portfolios, in line with section A4.1, the charge will be based on the total value of all the assets held in all the linked Zurich Portfolios, excluding any cash held in Cash ISAs, Stocks and Shares ISAs or Cash Accounts. The resulting charge will be applied to each Zurich Portfolio in proportion to their relative values.

If you have a Stocks and Shares ISA and an Investment Account within the same Zurich Portfolio, you can choose to have the Zurich charge relating to your ISA deducted from your Investment Account. If you elect to do this,

any adviser remuneration and any investment adviser charge relating to your ISA that you may pay in line with section A12.4.1 or section A12.4.2, will also be deducted from your Investment Account. If there is insufficient available cash and/or assets in your Investment Account, we reserve the right to deduct the charges and all subsequent charges from your Stocks and Shares ISA.

A12.1.2) Interest charge

We will pay you a variable rate of interest on your cash holdings in line with section A9.3.1. Currently, we keep the first 0.10% of the interest rate we receive from our banking partner on any such cash holdings and pass the remainder on to you each month net of any tax or other deductions required by HMRC legislation. We will tell you if we change the amount of interest we keep. If the interest we receive from our banking partner is equal to or less than 0.10% each year, we will not pass on any interest to you.

A12.1.3) Retirement Account charge

If you take out a Retirement Account, we will apply an additional yearly charge as set out in section B6.

A12.1.4) Exchange-traded asset transaction charge

We deduct a charge for each exchange-traded asset bought or sold on your behalf by our nominated stockbroker. This charge is currently £10.50 on each individual transaction under £25,000. For each individual transaction of £25,000 or more, the charge will be 0.05% of the value of each transaction.

A12.2) Increases to our charges and new charges

As long as any increase or new charge is proportionate and reasonable, we may increase the charges or introduce new charges for any of the following reasons:

- To allow us to look after your accounts more effectively, or to reflect changes in technology or industry practice.
- To take account of a decision by a court, government body, ombudsman, regulator, industry body or similar body.
- To take account of changes to law, taxation, official guidance, codes of practice or the way we are regulated, including the amount of capital the FCA require us to keep.
- To take account of changes to levies or charges imposed by law or under the Financial Services Compensation Scheme or by the FCA (unless we are expressly prohibited from passing these on to our customers).
- Where we appoint a new third party to act on our behalf or where existing third parties such as, but not limited to, our nominated stockbroker or fund managers, choose to introduce new charges or increase their charges.

As long as the new charge is proportionate and reasonable, we may introduce a new charge in connection with partial withdrawals of Uncrystallised Funds Pension Lump Sums (see section B9.5).

We will tell you about increases to our charges before we apply the increase.

A12.3) Charges on assets

The following charges will be deducted. These depend on the assets you invest in and (in the case of investment adviser charges) on whether you have agreed to invest in a model portfolio managed by an investment adviser.

A12.3.1) Fund manager charges

Mutual fund managers will deduct charges, these may include bid/offer spreads, annual management charges and fund expenses.

A 'bid/offer spread' means units are bought and sold at different prices. The difference between the prices (the spread) represents the fund manager charge.

Annual management charges and fund expenses are ongoing charges that are typically deducted from fund assets every day before the fund price is calculated.

These charges and any changes to them are decided by the fund manager and may be increased or reduced without prior notice. The charges that apply when mutual funds are purchased are shown in your Charges information document. Details of the latest fund manager charges are available from your adviser. Up-to-date charges relating to any funds you invest in, will be detailed in the Charges information document we send you with your half-yearly statements.

Some fund managers may also apply a dilution levy or dilution adjustment to buy or sell transactions. Fund managers will deduct any dilution levy before investing the payment, any dilution adjustments will be reflected in the fund price.

Your adviser can provide you with more information about charges applied by individual fund managers.

A12.3.2) Exchange-traded asset charges

Charges to cover expenses such as, any applicable taxes, transaction charges at the applicable rate when you buy an asset traded on a stock exchange, and the panel on takeovers and mergers levy of £1 on all trades of £10,000 or more may also apply. These charges will be disclosed in the trading confirmations we produce.

For buy transactions, charges will be deducted from the payment before the purchase is made.

For sell transactions, charges will be deducted from the proceeds of the sale.

In the event that our nominated stockbroker is required to re-register assets into or out of an account, they will charge us £10 for each UK certificated stock. We will pass that charge onto you. In addition, if assets being re-registered into an Investment Account are owned by you personally, the registrar is likely to charge a fee for this. You will also be required to pay this fee before the assets can be re-registered.

A12.4) Adviser remuneration and investment adviser charges

A12.4.1) Adviser remuneration

You agree that when a remuneration charge is deducted from your accounts, we will move it from one of our bank accounts that holds client money, to a bank account in our name. Once the deduction is made:

- it ceases to be your money, and will no longer be held by us as client money under FCA rules,
- your obligation to pay that remuneration charge to your adviser is discharged,
- it becomes our responsibility to pay your adviser, and
- we will hold the deducted amount on behalf of your adviser and deal with it as instructed by them. In exceptional circumstances, we may be unable to pay the adviser amounts deducted as remuneration following the termination of our agreement with them. For example, if their permissions have been removed by the FCA and the remuneration is not due to them. In such circumstances, the amount deducted will be credited again as soon as practicable to your account.

The Charges information document will set out any agreed adviser remuneration you have authorised us to deduct from your accounts.

All remuneration that has been deducted will also be shown in your half-yearly statements.

You must agree with your adviser how much you will pay them for the advice and services they will provide to you. We will need your written authority, on a form agreed by us, before we will deduct remuneration payments from your accounts and pay them to your adviser.

Adviser remuneration, either as a percentage or fixed amount, may be deducted as:

- initial remuneration from each one-off payment or cash transfer (unless the payment or cash transfer is due to be immediately placed in a drawdown pension arrangement as described in section B9.4), and/or

- a fixed number of regular remuneration payments, where at least one regular payment has been received, and/or
- ongoing remuneration, where remuneration payments are deducted regularly until they are stopped in line with these terms and conditions, and/or
- a one-off payment deducted from available cash in an account.

If you agree that initial remuneration is payable on a one-off payment or one-off cash transfer, provided that we have received your written authority, adviser remuneration will be deducted from the applicable account within two business days of the later of:

- the day after the payment is matched as described in section A8, and
- the day we process your written authority.

If we have not received your written authority, the amount your adviser requested will be held as available cash in the applicable account until we receive it. This money will not be ring-fenced and it could be used to pay Zurich charges, as set out in A12.1, investment adviser charges (for a Stocks and Shares ISA, as set out in A12.5) or previously agreed ongoing remuneration. If this happens, there may not be enough available cash so that we will not be able to deduct the remuneration. Your adviser should then arrange to make sufficient additional cash available in your account so that we can deduct the remuneration.

Regular remuneration will be deducted, at a frequency agreed with your adviser, for a fixed number of deductions until the total amount agreed has been deducted. It cannot be deducted more often than the frequency of your most frequent regular contribution. We will deduct the agreed amount from available cash in the relevant account. If there is insufficient cash on any due date to deduct the full amount, we will be unable to deduct the remuneration payment on that due date. As such, where deductions are missed, it will take longer to pay the fixed number of deductions to your adviser.

Ongoing remuneration will, once authorised, accrue daily and be deducted at a frequency agreed with your adviser. It will be deducted from available cash you hold in the relevant accounts. Where there is insufficient cash for ongoing remuneration, we will sell assets to meet the difference in line with your disinvestment strategy, as described in section A13.

If regular or ongoing remuneration is payable, you can agree with your adviser whether the deduction from your account is made monthly, quarterly, half-yearly or yearly. We will deduct the remuneration on the same day each time and this will be determined by the date your adviser submits the electronic application for that account, as described in section A4.2. If remuneration is due to be deducted on the 29th, 30th or 31st, then in the months that end before the due date, we will deduct the remuneration on the last day of the month. Where the remuneration is due to be deducted on a day other than a business day, we will deduct it on the next business day.

You may ask us to stop regular or ongoing remuneration payments to your adviser at any time. If the process to make the deduction for either regular or ongoing remuneration has already been initiated, the deduction will be made in full. It will be up to you and your adviser to agree whether any refund is due to you. Or, if a partial deduction is due, relating to ongoing remuneration from the date that the last deduction was made to the date that we process the notification, it will be deducted from your account on the next agreed deduction date.

If an account you hold no longer has sufficient value to pay regular or ongoing remuneration, we will stop payments to your adviser. You may, however, still be liable to pay any outstanding regular remuneration to your adviser. If you and your adviser agree that regular remuneration or ongoing remuneration deductions are to be re-started, you will need to give your written authority before this can happen.

Where initial remuneration or regular remuneration is agreed based on payments into a Retirement Account and those payments qualify for Pensions Relief At Source (PRAS), remuneration expressed as a percentage will be based on the amount including PRAS. Any remuneration agreed as a percentage relating to a payment that does not qualify for PRAS will be paid on the actual amount received.

Adviser remuneration deducted from the Retirement Account must only relate to pension advice given in respect of that account, and be in line with HMRC guidance, otherwise tax charges may be triggered, as described in section B12.

If an account is closed or on the death of the last account holder, any ongoing remuneration amount due to an adviser up until the date Zurich processes the instruction from you or your personal legal representatives will be deducted from your accounts as soon as practicable.

We will not wait until the next agreed deduction date to make the deduction.

We will need your written authority before any of the following changes to your adviser's remuneration can be made:

- increases,
- changes in basis, for example, from a fixed amount to a percentage,
- restarting ongoing or regular remuneration payments that have been stopped, or
- a one-off payment.

We will confirm any changes made to adviser remuneration by issuing a new Charges information document.

A12.4.2) Investment adviser charge

Where you agree with your adviser to invest into a model portfolio managed by an investment adviser, an investment adviser charge is payable. This is an ongoing charge calculated as a percentage of the value of the assets invested in the model portfolio the investment manager is managing. The charge will be accrued daily and deducted at a frequency set by the investment adviser. It will be deducted from the available cash inside the model portfolio managed by the investment adviser, except where it relates to a model portfolio in a Stocks and Shares ISA. Investment adviser charges relating to a model portfolio in a Stocks and Shares ISA will be deducted from cash held outside your model portfolio in the Stocks and Shares ISA, or you may choose for them to be deducted instead from available cash in your Investment Account as explained in section A12.4.1. Where there is insufficient available cash to pay an investment adviser charge in this way, we will raise the cash to pay the charge by disinvesting from assets which you already hold. The way we make this disinvestment is described in section A13.

You agree that when a charge is deducted from your accounts, we will move it from one of our bank accounts that holds client money, to a bank account in our name. Once the deduction is made:

- it ceases to be your money, and will no longer be held by us as client money under FCA rules,
- your obligation to pay that charge to the investment adviser is discharged,
- it becomes our responsibility to pay the investment adviser, and

- we will hold the deducted amount on behalf of the investment adviser and deal with it as instructed by them. In exceptional circumstances, we may be unable to pay the investment adviser amounts deducted following the termination of our agreement with them. For example, if their permissions have been removed by the FCA and the charge is not due to them. In such circumstances, the amount deducted will be credited to your account as soon as practicable.

The Charges information document will set out any agreed investment adviser charge you have authorised us to deduct from your accounts. All charges that has been deducted will also be shown in your half-yearly statements.

A12.4.3) Changes to investment adviser charges

Your adviser is required to inform you about any changes to the charge taken by an investment adviser they have appointed.

If all of the assets in a the model portfolio managed by an investment adviser are sold or the assets are moved back to your adviser to be managed, or if an account is closed or on the death of the last account holder, any ongoing charges due to an investment adviser up until the date Zurich processes the instruction or notification of death will be deducted from your account as soon as practicable. We will not wait until the next agreed deduction date to make the deduction.

We will confirm any changes to investment adviser charges in your charges information document.

A12.5) Adviser remuneration and investment adviser charges for Stocks and Shares ISAs and Cash ISAs

If you have a Stocks and Shares ISA or Cash ISA and an Investment Account within the same Zurich Portfolio, you can choose to have adviser remuneration and investment adviser charges relating to your ISAs deducted from your Investment Account. If you elect to do this, the portion of the Zurich Portfolio charge (explained in A12.1.1) relating to your Stocks and Shares ISA will also be deducted from your Investment Account. These deductions will be taken on the day of the month on which your Zurich Portfolio was set up. If this is the 29th, 30th or 31st, then in the months that end before the applicable date, we will make the deductions on the last day of the month. Where the deductions are due to be made on a day other than a business day, we will make them on the next business day.

If the Investment Account does not have sufficient value to make an ongoing adviser remuneration payment, or pay an Investment Adviser charge, relating to your ISAs, we reserve the right to deduct that ongoing remuneration payment, or Investment Adviser charge, and all future payments and charges from the ISA to which they apply.

Where initial remuneration is being deducted from your Investment Account in respect of an ISA, the deduction will be made as soon as there is sufficient available cash, provided we have received your written authority.

A13) Disinvestment Strategies

A13.1 Your disinvestment strategy

Where there is insufficient available cash in an account to meet a deduction due from that account, we will sell assets in that account to cover the amount due.

When there is insufficient available cash, the disinvestment strategy selected by you and your adviser will apply, as described below, to cover the amount due from:

- our charges, as described in section A12.1 and B6,
- ongoing adviser remuneration as described in section A12.4, where applicable,
- failed payments, as set out in section A8.2,
- regular withdrawals or drawdown pension where the income payment strategy fails, as described in section A14.2 and B9.4.2,
- investment adviser charges in relation to your Stocks and Shares ISA, where applicable (for details of the disinvestment strategy which would be used to pay the investment adviser charges for your other accounts, see A13.2).

We will sell mutual fund assets in the account, equivalent to the outstanding amount, subject to a minimum of £50. Where the outstanding amount is greater than £40, we will sell assets equivalent to the outstanding amount plus £10. Any proceeds remaining from the sale of assets after charges, will remain as available cash.

If you have one or more separate arrangements within an account for the purpose of taking drawdown pension from a Retirement Account (as set out in section B9.4), the disinvestment strategy and minimum disinvestment will apply to each arrangement separately.

Your adviser will decide with you a disinvestment strategy that will determine on what basis we sell assets. There are three options,

- least volatile fund first, or
- most recently purchased fund first, or
- proportionately across all funds and model portfolios.

Least volatile fund

The least volatile fund will be the mutual fund with the lowest volatility rating measured by the amount of price fluctuation over a period of time. The relative volatility of the available mutual funds is determined by a sub-contractor appointed by us.

Most recently purchased fund

We will disinvest from your mutual fund holdings on a last in, first out basis. Where transactions occur on the same day, we will disinvest from the last mutual fund bought on that day, based on the time of the trade.

Proportionately across all funds and model portfolios

We will disinvest a proportion of the amount due from the mutual funds and model portfolios in the account, excluding treasured assets.

If you have chosen either the least volatile or most recently purchased fund disinvestment strategy, where possible, we will disinvest the full amount from either the least volatile or most recently purchased mutual fund. However, if the relevant mutual fund does not have sufficient value to cover the full amount, we will deduct the balance from the next least volatile or most recently purchased mutual fund, until the outstanding amount has been paid.

If you have chosen a proportionate disinvestment strategy, we will disinvest a proportion of the total amount due from each mutual fund in the account (excluding treasured assets).

We will also disinvest a proportion of the total amount due from the assets (mutual fund assets and exchange-traded assets) in any investment adviser model portfolio. We do this as follows:

- if you have one or more investment adviser model portfolios, we split the amount we will disinvest between (i) the mutual fund assets held in your account (excluding any treasured mutual fund assets and any mutual fund assets held in an investment adviser model portfolio) and (ii) the assets (mutual fund assets and exchange traded assets) held in your

investment adviser model portfolios in your account (excluding any treasured investment adviser model portfolios), in proportion to their respective values,

- we disinvest from each of the mutual fund assets held in your account (excluding any treasured mutual fund assets and any mutual fund assets held in an investment adviser model portfolio) in proportion to the values of your holdings in them,
- we disinvest from the assets in your investment adviser model portfolios in your account (excluding any treasured investment adviser model portfolios) in accordance with the investment adviser's sell strategy for the investment adviser model portfolio as described in A14.3.

Where you hold your entire assets within an account within adviser model portfolios or Investment Adviser model portfolios, we reserve the right to change your disinvestment strategy so it operates proportionately across all funds and model portfolios as described above.

Treasured assets

Your adviser may choose, on your behalf, to exclude any specific assets from the disinvestment strategy. These are known as treasured assets. Your adviser may also choose, on your behalf, to exclude specific investment adviser model portfolios from the disinvestment strategy by making the assets within such portfolios treasured assets. Where an investment adviser model portfolio has been excluded from the disinvestment strategy in this way, it is known as a treasured investment adviser model portfolio.

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

- exchange-traded assets bought through our nominated stockbroker, unless you have chosen a proportionate disinvestment strategy (as described above) and the exchange-traded assets form part of an investment adviser's sell strategy for an investment adviser model portfolio as described in A14.3,
- treasured assets – assets that have been specifically excluded from the disinvestment strategy by your adviser, or
- treasured investment adviser model portfolios – any assets in an investment adviser model portfolio that has been specifically excluded from the disinvestment strategy by your adviser.

We may also choose to exclude certain mutual funds where we believe this is appropriate, such as where they are not priced on a daily basis.

If you select the least volatile fund or most recently purchased fund disinvestment strategy options, we will not automatically disinvest mutual funds held within an adviser's model portfolio or an investment adviser model portfolio.

In the event that you do not have enough available holdings in an account to cover an amount due by disinvesting as described above, we will contact your adviser to determine how you will pay us the amount due.

If we are unable to deduct the outstanding amount due from your available holdings and your adviser does not confirm how the amount is to be deducted, we may sell other available assets to cover the outstanding amount. Where we do so, we will sell assets from the asset holding with the highest value on the date we issue the instruction. This may include treasured assets or exchange-traded assets. We will pass on to you any reasonable charges we incur for selling these assets. If we sell exchange-traded assets, we will sell assets for the amount required plus the greater of £50 or 1% of that amount. If we sell mutual fund holdings, we will sell the same minimum holdings as detailed above.

A13.2 Investment adviser(s) disinvestment strategy

A separate investment adviser disinvestment strategy is set for any model portfolio managed by an investment adviser. It is always set to disinvest from the least volatile mutual fund asset within the model portfolio they manage. This investment adviser disinvestment strategy is invoked when there is insufficient available cash to pay investment adviser charges. It may also be used to pay outstanding cash on an order to buy exchange traded assets for your investment adviser model portfolio, as explained in A10.5.

However, the investment adviser disinvestment strategy is not applicable for investment adviser charges for Stocks and Shares ISAs. If you pay investment adviser charges direct from cash in your Stocks and Shares ISA and you have insufficient cash in your Stocks and Shares ISA, your adviser's disinvestment strategy as described in A13.1 will be used to provide cash for these from your Stocks and Shares ISA. If you have chosen to pay investment adviser charges for your Stocks and Shares ISA from your Investment Account and there is insufficient available cash in your Investment Account to fund these, your adviser's disinvestment strategy as described in section A13.1 will be used to provide the necessary cash from your Investment Account. If you do not have enough available holdings in your Investment Account to cover an amount due we reserve the right to deduct this and all future payments from the ISA to which they apply.

A14) Withdrawals

Sections A14, A14.1 and A14.2 do not apply to the Retirement Account.

You can instruct your adviser to arrange for you to receive regular or one-off withdrawals from your Cash Account or other accounts you hold within your Zurich Portfolio. Withdrawals must be a specified cash amount in pounds sterling.

We will make withdrawal payments in line with the instructions we receive, by BACS to a nominated UK bank or building society account verified by us, or to your Cash Account.

We may prevent withdrawals where we know of, or suspect fraud or money laundering.

A14.1) One-off withdrawals

One-off withdrawals can be deducted from either your Cash Account or from available cash in another Account. If you do not have enough cash to cover the withdrawal, assets must be sold first to provide sufficient cash from which the withdrawal can be paid.

It is your adviser's responsibility to ensure there is sufficient cash in your account for us to make the withdrawal at the requested time.

A minimum of five days will apply from when we receive an instruction to make a one-off withdrawal to when it is actually paid.

If we receive an instruction to withdraw the full value of an account, where applicable, we will:

- deduct any charges due, any adviser and/or investment adviser(s) remuneration accrued up to the date of the withdrawal, and/or
- delay paying the withdrawal until any uncleared payments, or expected direct debits, become cleared funds.

A14.2) Regular withdrawals

When a regular withdrawal from an account is first set up by your adviser, they will also set up an income payment strategy to fund the regular withdrawals you have requested. This can be changed at any time.

Income payment strategy

This determines the assets to be sold to fund regular withdrawals. It may be from specified assets, or proportionately based on the value of each asset held in the relevant account. Model portfolios managed by investment advisers may be included in the income payment strategy, but when the amount is deducted from the model portfolio it will be in line with the investment adviser's sell strategy for the model portfolio as described in A14.3.

You may have a separate income payment strategy for each account.

We will sell assets in line with your income payment strategy up to ten business days before a regular income payment is paid to you.

Regular withdrawals can be paid monthly, quarterly, half-yearly or yearly on any date between the 1st and the 28th of the month inclusive. An end date can also be specified. The specified start date must be at least ten business days from the later of either:

- the date of the instruction, or
- the date the money is received in the account, or
- the date we verify the bank or building society account to which we will pay the withdrawal.

To change the amount or frequency of a regular withdrawal, or to change your income payment strategy, or to change the bank or building society account to which the regular withdrawal is being paid, your adviser must stop the regular withdrawal and set up a new regular withdrawal instruction.

If a regular withdrawal is due on a non-business day, you will receive it on the last business day before the due date.

If an income payment strategy set by your adviser includes a model portfolio, the amount deducted from the model portfolio will be deducted proportionately from each asset within it.

When a purchase of assets within a model portfolio coincides with a sell instruction linked to an income payment strategy for a regular withdrawal, the sale may be delayed for one day to allow the purchase to complete. This will not affect the final payment date of a withdrawal. If on the following business day the sale instruction cannot be processed, the regular withdrawal will not take place. Your adviser will be informed if this happens.

If the income payment strategy set by your adviser fails for any other reason, but there remains sufficient value in

the relevant account to support it, the withdrawal will still be paid. The withdrawal will be funded from available cash in the relevant account or arrangement, as applicable. If there is insufficient available cash, we will sell assets in line with the applicable disinvestment strategy in line with section A13 and tell your adviser.

A14.3) Withdrawals from a model portfolio managed by an investment adviser

When the investment adviser sets up a model portfolio they will specify a sell strategy. Any payments of Zurich charges, adviser remuneration, requests for one-off withdrawals or regular withdrawals from the model portfolio managed by an investment adviser will be in line with the model portfolio sell strategy. The investment adviser could choose to sell proportionately from all assets held at the time of the withdrawal. Alternatively the adviser could choose to sell holdings in the asset that is furthest above its intended allocation in the model portfolio first, then the next furthest above its intended allocation and so on, to align the assets in the model portfolio back to the asset allocation in the model portfolio design.

A15) Ending the agreement with your adviser

Your agreement with your adviser may end because either you, or your adviser, want to end that agreement. However, it may also end because the agreement between us and your adviser ends, for example, because the adviser's permissions are removed by the FCA. In either event, your adviser will no longer be able to manage your Zurich Portfolio.

Where your agreement with your adviser ends, you should notify us of this fact as soon as possible.

Where we receive notification of the end of your agreement with your adviser, we will remove your adviser from your account and stop any deductions for regular or ongoing remuneration as soon as reasonably practicable.

If, prior to us processing such notification, the process to make a deduction for either regular or ongoing remuneration has already been initiated, the deduction will be made in full. It will be up to you and your adviser to agree whether any refund is due to you.

If ongoing remuneration is (or will be) due in respect of the period between the most recent deduction and the date we process such notification, this amount will be deducted from your accounts on the next agreed deduction date (or earlier if another provision of these terms and conditions applies).

If the agreement between us and your adviser ends, we will stop any deductions for regular and ongoing remuneration from the date that we process the removal of the adviser from your account. Depending on our agreement with your adviser, we may deduct any ongoing remuneration due from the last deduction date up until the date we remove your adviser from your account. Where we do this, we will not wait for the next deduction date but instead make the deduction as soon as practicable. Where any remuneration remains due from you to your adviser, they may contact you to arrange an alternative method of payment.

Any remuneration which we deduct from your accounts will be held in line with section A12.4 on behalf of your adviser.

If, for any reason, your adviser is no longer able to manage your Zurich Portfolio, and you want your Zurich Portfolio to continue, you should appoint a new adviser who has an appropriate agreement with us. Only an adviser who has such an agreement with us can manage your Zurich Portfolio online and give you access to all the options and accounts available within your Zurich Portfolio.

The agreement between us and your adviser affects the Zurich Portfolio charge described in section A12.1.1. If at anytime you do not have an adviser, our standard charges described in that section will apply. Should you change adviser, this may also affect the charges you pay.

Where you appoint a new adviser to manage your Zurich Portfolio, you must agree with them how much you will pay them for the advice and services they provide to you. Where they ask us to deduct their remuneration from your accounts, you must provide us with your written authority for us to do so.

If you have an investment strategy (including a phased investment strategy) or income payment strategy that includes a model portfolio which your new adviser does not have access to, any regular withdrawals, drawdown pension payments, regular payments or phased investment strategies that are taken from or paid to that model portfolio will stop and we will either, (a) re-start them as soon as practicable using the individual assets that were held within the model portfolio, or (b) follow the instructions of your new adviser who may set up:

- new regular payments in line with section A8.1 and associated investment strategy in line with section A9.1 and/or
- new regular withdrawals in line with section A14.2, or drawdown pension payments in line with section B9.4.2.

If you do not appoint a new adviser, you will be responsible for providing us with such instructions.

If you do not have an adviser managing your Zurich Portfolio, we will issue you with details about any restrictions and limitations that apply, together with information on how you can appoint a new adviser who has an appropriate agreement with us. In addition, if you don't already have access, we will send you a username and password giving you view-only online access to your Zurich Portfolio and accounts.

If you do not have an adviser, or you have an adviser who does not have an appropriate agreement with us, it will restrict the options that are available to you. In particular, it means that you will not be able to:

- manage your Zurich Portfolio or give instructions online, meaning all instructions must be provided in writing or by telephone,
- open new accounts,
- increase payments to a retirement account,
- invest in any assets other than assets defined as mutual funds in section A9.

We will notify you of the new charges that apply at the time your adviser stops managing your Zurich Portfolio, or if you appoint a new adviser.

In addition, the ending of the agreement with your adviser will have the following specific consequences:

- If you are invested in a model portfolio, this will end. Your money will remain invested in the assets that formed your model portfolio at the time that it ended.
- If you invested in a model portfolio managed by an investment adviser (see section A2.3), the agreement with them is dependant on your adviser. As such, if your adviser agreement ends the agreement with the investment adviser will automatically end and your money will remain in the assets that formed the model portfolio at the time it ended but will no longer be managed by the investment adviser.
- If you have an investment strategy (including a phased investment strategy) or income payment strategy that includes a model portfolio or a model portfolio managed by an investment adviser, these will stop. Any regular withdrawals, drawdown pension payments or regular payments related to the investment strategy (including phased investment strategy) or income payment strategy will also stop. The regular withdrawals, drawdown pension payments or regular payments and the related investment strategy (including phased investment strategy) or income payment strategy will then be restarted as soon as practicable using the individual assets that were held in the model portfolio(s).

A16) If you die

When we receive notification of your death, or where applicable the death of the last surviving account holder (for portfolios held in trust this only applies on the death of the last surviving trustee), we will send details of what we need to your legal personal representative, and:

- remove your online access to view your Zurich Portfolio
- change all adviser access to read only and not accept any new online instructions
- stop all regular payments into your accounts
- stop all future regular withdrawals (except for Portfolios held in trust), including any income from drawdown pension
- continue to make remuneration payments to your adviser, and facilitate any applicable investment adviser charges, until we receive instructions from your legal personal representatives to stop this, and
- with the exception of the Retirement Account (see section B10) and Zurich Portfolios held in trust, sell the assets in your accounts, in line with our order execution policy (as set out in Appendix A), close the accounts and transfer the value into your Cash Account less, if applicable, any outstanding charges and any adviser or investment adviser charges payable. We will do this as soon as reasonably practicable. For ISAs, where the surviving spouse requires a transfer of assets to their ISA, we must be informed at the same time as we receive notification of your death so that we do not sell the assets (see section D9).

Once we receive all documents and information we reasonably request from your legal personal representative, to ensure the money is paid to the correct person(s), with the exception of the Retirement Account (see section B10) and Portfolios held in trust, we will pay the proceeds accordingly.

Your adviser will be responsible for working with your legal personal representatives to provide the information that we require.

These terms and conditions will be binding on your legal personal representatives.

Additional information about how the individual accounts will be affected by your death is provided in sections B10, C4, D9, E7 and F5.

A17) Closing your Zurich Portfolio

Where all your accounts in your Zurich Portfolio are closed, as described in sections B14, C6, D10 and E8, your adviser may instruct us to close your Zurich Portfolio.

Otherwise, we will close your Zurich Portfolio:

- three months after a full payment or transfer out from the last remaining account in your Zurich Portfolio, or
- where there is a material breach of the terms and conditions.

We will tell your adviser before we close your Zurich Portfolio.

A18) Changes we can make to these terms and conditions

This document sets out the terms and conditions. Only we can change or add to the terms and conditions.

We may alter the terms and conditions (including any provisions that apply to your payments and assets) to the extent that the change is proportionate and reasonable for any of the following reasons:

- To take account of changes to, or to comply with the law, taxation, official guidance, codes of practice, the way in which we are regulated or the amount of capital we need to hold.
- To provide for the introduction of new or improved systems, methods of operation, service or facilities.
- To take account of a recommendation, requirement or decision of any court, government body, ombudsman, regulator or similar body.
- To make these terms and conditions clearer or more favourable to you.
- To put right any mistake we may discover in future.
- To reflect changes in technology or industry practice.
- To reflect any change to our corporate structure arising from any reorganisation of our business, that does not unfavourably affect your accounts but requires us to make certain changes to these terms and conditions.
- To allow for changes to levies or charges imposed by law or under the Financial Services Compensation Scheme or by the FCA (unless we are told we must not pass these onto our customers).

- If, in our reasonable opinion, we are at material risk of becoming insolvent and this may be avoided by changing these terms and conditions and the changes are in the interests of our Zurich Portfolio and account holders as a whole.

Wherever possible, we will let you know at least three months before we make any material changes to these terms and conditions. Otherwise, we will tell you about any changes when we send you your half yearly statement. You can get the most up-to-date version of these terms and conditions from your adviser.

A19) Corporate actions

The assets you invest in may be affected by elective or mandatory corporate actions.

Elective corporate action

These usually apply to exchange-traded assets but may also apply to mutual funds. When an action taken by an institution affects investors, for example, a rights issue. Investors are asked to make a choice from a variety of options, including a default option that will apply if no election is made.

Mandatory corporate action

These may apply to either exchange-traded assets or mutual funds when an action by an institution or fund manager affects investors, for example, fund mergers or closures, company mergers, takeovers or reorganisations. Investors will have no option but to participate in the corporate action.

A19.1) Mutual funds

Where you are invested in a fund that is subject to a mandatory corporate action, we will assess the extent to which that corporate action will affect the fund, for example, if it materially changes the risk profile or structure of the fund. If a corporate action materially affects a fund you are invested in, we will tell you and inform your adviser and/or any appointed investment adviser(s) in advance, or otherwise as soon as reasonably possible. It is the responsibility of you and your adviser to assess whether the fund remains suitable for your circumstances.

In the event that you have holdings in a fund at the time it is closed, they will be sold and the proceeds held as available cash in the relevant account or sub-account.

A19.2) Exchange-traded assets

With the exception of dividend payments, whenever an exchange-traded asset in which you are invested is subject to a mandatory or elective corporate action, we will inform your adviser and any investment adviser(s) as soon as reasonably practicable after we are informed of it. We will also tell you within six business days of us being informed of a corporate action.

If it relates to a mandatory corporate action, we will tell you what it is.

If it relates to an elective corporate action, we will provide details of the available options. This will include a default option that will apply if we do not receive confirmation of the election by the date we specify at the time.

It is the responsibility of you and your adviser to decide what option to elect and/or assess whether the asset remains suitable for your circumstances.

If we do not receive instructions from either you or your adviser by the specified date, or if a decision relating to an elective corporate action is required within six business days of us being informed of the corporate action, the default option will apply.

We will usually apply a default option that opts out of participation in an elective corporate action such as a rights issue, rather than one that obliges participation in circumstances where an additional share purchase is required. If it is not possible to opt out of participation in an elective corporate action, for example, where a company operates a dividend scheme and requires shareholders to elect whether to receive ordinary shares instead of cash dividends, we will apply a default option allowing you to receive cash dividends, which will be paid to the account in which the asset is held.

Where you participate in an elective corporate action that requires funding, such as buying new shares under a rights issue, there must be sufficient available cash in the relevant account by the date that we specify at the time. If, on that date, there is not enough cash in the relevant account, or sub-account, we will treat it as a failed payment as described in section A8.2. The instruction to trade will still be placed and we will apply the applicable disinvestment strategy.

If a corporate action relates to a maturing asset, the maturity proceeds will be held as available cash in the appropriate account or sub-account.

For any assets held in a model portfolio managed by an investment adviser it is the responsibility of the investment adviser to act on the corporate action.

A20) Other terms

If any provision in these terms and conditions is found to be invalid by any court, the invalidity of that provision will not affect the validity of the remaining provisions of these terms and conditions, which will remain in full force and effect.

The failure or delay either by us or you to exercise or enforce rights, or enforce any obligation, under these terms and conditions is not a waiver of those rights and it will not prevent subsequent enforcement of those obligations.

Headings in these terms and conditions are for convenience only and have no legal effect.

Only you, your legal personal representative or we can enforce the terms of this agreement. We exclude the rights of others under the Contracts (Rights of Third-Parties) Act 1999 to enforce any provision of this agreement.

A20.1) Events beyond our control

We may be unable to perform our obligations under these terms and conditions where events occur that are beyond our reasonable control. These events include, but are not limited to:

- riot, civil unrest, military action or terrorism,
- fire, explosion, earthquake, storm, flood, epidemic or other natural disaster,
- strikes, lockouts or other industrial action,
- unforeseeable restrictions imposed by legislation, regulation or other government initiative that are not the result of our misconduct,
- any change in market conditions affecting the execution or settlement of transactions in respect of your accounts,
- any cyber-attack on our IT systems,
- any failure in transport networks or other utilities such as power, telecommunications networks or water leading to unavoidable disruption,
- a change in your residency where you move abroad, as described in section A20.2, or
- any other event or circumstance that we are unable, using reasonable skill and care, to avoid.

Where an event beyond our reasonable control occurs, and if you are being, have been, or are likely to be disadvantaged, we will, whenever possible, let your adviser know as soon as we can.

If the event continues for a period in excess of three months, we may take appropriate action, acting reasonably, proportionately and fairly, which may include closing your accounts.

A20.2) Moving abroad

Your Zurich Portfolio and the accounts available within it are designed for individuals who are resident in the UK. If you move to another country outside the UK, your accounts may no longer be suitable for your individual needs. UK laws or the local laws and regulations of the jurisdiction to which you move may impact our ability to continue to operate your Zurich Portfolio and your accounts within it in line with these terms and conditions. You or your adviser must tell us of any planned change in your residency while you have a Zurich Portfolio prior to such change becoming effective.

A20.3) Transferring our duties

We may delegate any of our functions under these terms and conditions to another person or persons without your consent and we can give them any information about you that they may reasonably require for this purpose. We will carry out any transfer of your personal information in line with our data protection statement (see Appendix B).

Where we delegate any of our functions under these terms and conditions, we will satisfy ourselves of the competence of the other people to carry out those functions and responsibilities.

Your rights and benefits and our liability under these terms and conditions will not be affected where we choose to delegate any functions.

A20.4) Disclosure

You authorise us to disclose to any tax authority including HMRC, any regulatory authority, the police or such other persons, as required by law or as otherwise required, so we can carry out our duties under these terms and conditions, any information they may require in relation to you and your accounts. In addition, you authorise us to comply with any other tax obligations of the UK or elsewhere applying to Zurich or the Zurich Group, including tax reporting and the deduction of any withholding tax.

A20.5) Liability

We will exercise due care and diligence in operating your Zurich Portfolio and your accounts within it. We will not be liable to you for:

- any delay in carrying out a trading instruction as described in section A10.1, caused by the temporary unavailability of our nominated stockbroker's computer systems, or

- any loss on your cash holdings or assets that may arise, unless it was caused by our negligence or wilful default, or
- our acts or omissions or those of any adviser, investment adviser, fund manager or banking partner, except if they arise as a result of our negligence or wilful default.

This limitation of liability is subject to us complying with these terms and conditions and the FCA rules.

Nothing in these terms and conditions is intended to:

- exclude our liability for death, personal injury, fraud, fraudulent misrepresentation or any other matter that cannot be excluded or limited by law, or
- exclude or limit our duties and liabilities to you under the Financial Services and Markets Act 2000 (or any successor legislation) and rules of the FCA (or any successor regulator).

A20.6) Conflicts of interest

We make every effort to avoid conflicts of interest. A conflict of interest is where the interests of our business conflict with those of a customer, or if there is a conflict between customers of the business.

We have processes in place to ensure we conduct our business lawfully, with integrity, and in line with current legislation. We operate in line with our conflicts of interest policy, available on request, which details the types of conflicts of interest that affect our business and how we manage these. If they arise, we will fully disclose them in line with our policy.

A20.7) Law

Our relationship with you and these terms and conditions are subject to English law and the exclusive jurisdiction of the English courts.

A20.8) Compensation

We classify you as a 'retail client' under the FCA rules. This means you will receive protection for complaints and compensation and receive information in a straightforward way.

Your adviser will recommend accounts that are suitable for your needs. You have a legal right to compensation if, at any time, an authority decides that a recommendation was not suitable when it was made.

If we, or any of the providers of assets or investment services available through your accounts cannot meet any financial obligations, you may be able to claim compensation from the Financial Services Compensation Scheme (FSCS). The compensation you may receive will be

based on the FSCS rules and whether you are eligible to make a claim. You could lose all or some of your money.

The FSCS is a fund of 'last resort', only stepping in if the provider of the investment is in default.

Default

A provider is in default if it is unable or likely to be unable, to pay any claims made against it. This will generally be because the provider has stopped trading and does not have enough assets to meet claims made against it, or because it is insolvent.

The FSCS will not cover you:

- if the provider has stopped trading but still has assets to meet its claims
- for poor investment performance.

To make a claim, the provider in default must be the provider that ultimately owns the assets you have invested in. It must also be:

- An FCA authorised firm. All providers based in the UK carrying out investment business must be authorised by the FCA. You can check if a company is an FCA authorised firm on the FCA website – www.fca.org.uk.
- An EEA (European Economic Area) UCITS management company for a UCITS scheme.
- An EEA firm that has made a payment to be part of the FSCS.

UCITS

UCITS are investment funds which can be authorised in one EEA country but operated across the whole EEA.

If a provider is in default and you satisfy the criteria to be eligible to make a claim, the limits to your compensation would be as follows:

Sterling ISA Managers Limited

A claim for the administration of your accounts may be covered up to a maximum of £50,000.

Banking partner

The FSCS may cover any claim for cash held in your accounts with our banking partner, or banks within the same banking group, up to a maximum of £85,000.

This limit includes any cash held in your account together with any other money you hold with the same bank. It may also include money you hold with other banks within the same banking group.

Mutual fund manager

If a mutual fund manager cannot meet its financial obligations, any claim may be covered up to a maximum of £50,000.

Nominated stockbroker

If our nominated stockbroker cannot meet its financial obligations, any claim may be covered up to a maximum of £50,000.

You can contact the FSCS for more information:

Website: www.fscs.org.uk
Telephone: 0800 678 1100 or 020 7741 4100
Address: Financial Services Compensation Scheme,
10th Floor, Beaufort House,
15 St Botolph Street,
London, EC3A 7QU

Pension Trustee Investments

If we're unable to meet our financial obligations in full, you may be entitled to help from the Financial Services Compensation Scheme (FSCS). For pension trustees, the compensation your scheme will receive will be based on your scheme rules. If you need more information, you can contact the FSCS helpline on 020 7892 7300, write to the address below or visit the website www.fscs.org.uk.

Financial Services Compensation Scheme
7th Floor, Lloyds Chambers
1 Portsoken Street
London
E1 8BN

Your adviser will recommend products that are suitable for the needs of your pension scheme. Your pension scheme has a legal right to compensation if an authority decides that a recommendation was unsuitable when it was made.

A20.9) How to complain

If you need to complain, please contact us. Our contact details are in section A20.16.

You can ask us for details of our complaints handling process.

If you are not satisfied with our response, you can complain to the Financial Ombudsman Service.

Website: www.financial-ombudsman.org.uk
Email: complaint.info@financial-ombudsman.org.uk
Telephone: 0800 023 4567 or 0300 123 9123
Address: The Financial Ombudsman Service,
Exchange Tower, London, E14 9SR

Help is also available from The Pensions Advisory Service.

Website: www.pensionsadvisoryservice.org.uk
Telephone: 0300 123 1047
Address: The Pensions Advisory Service,
11 Belgrave Road, London, SW1V 1RB

These services are free and using them will not affect your legal rights.

A20.10) Data Protection

Zurich takes your privacy very seriously and is committed to ensuring the way we collect, hold, use and share information about you complies fully with the Data Protection Act 1998. Please read the 'Zurich Portfolio – Your privacy is important to us' leaflet, given to you by your adviser and included as Appendix B of these terms and conditions. You have been asked to confirm that you have read this as part of the application process.

You agree that we may record telephone conversations between you and us, and use such recordings, or transcripts from such recordings, as well as any emails or messages you send us, for training purposes, for the purposes of investigating any complaint you may make, or as evidence in any dispute or anticipated dispute between you and us.

A20.11) Our regulator

Sterling ISA Managers Limited, trading as Zurich is authorised and regulated by the Financial Conduct Authority (FCA).

Website: www.fca.org.uk
Telephone: UK: 0800 111 6768 (freephone),
From abroad: +44 20 7066 1000
Address: Financial Conduct Authority,
25 The North Colonnade,
Canary Wharf, London, E14 5HS

A20.12) Anti-money laundering and fraud

To comply with the Money Laundering Regulations 2007, your adviser will verify your identity and the identities of anyone else connected to the Zurich Portfolio and associated accounts when you apply for them. These checks will help protect your Zurich Portfolio from fraudulent attack. We may ask to see extra identification or perform electronic checks to validate your identity.

We can refuse to allow any payments to or from your accounts if:

- we believe or suspect it may place us in breach of any legislation or law, or
- we believe or suspect it relates to fraud or any other criminal act.

To prevent financial crime, your details may be passed to governmental, regulatory or other bodies as required by law.

You will be responsible for any unauthorised transaction where you or anyone you authorise has acted fraudulently in relation to your accounts.

A20.13) Sanctions

We will not provide you, your adviser or any investment adviser(s) with any services or benefits if in doing so we violate any applicable (including UK, EU and USA (Office of Foreign Asset Control)) financial sanctions, laws or regulations. This could result in us having to terminate your accounts with us.

A20.14) HMRC practice

These terms and conditions are based on our understanding of current HM Revenue & Customs practice (HMRC).

Taxation law and HMRC practice may change from time to time and such changes cannot be foreseen. If there is any change in law or taxation that makes it impracticable or impossible to carry out these terms and conditions, we reserve the right to vary them and we will inform you of any such change at the first practicable opportunity.

Each account available within your Zurich Portfolio is designed for individuals who are resident in the UK. We do not offer any tax advice so, if you decide to live outside of the UK, we recommend you obtain advice on the tax consequences of changing your country of residence in relation to your accounts. We will not be held liable for any adverse tax consequences that arise in respect of you or your accounts as a result of such a change in residence.

A20.15) Identifying the lawful claimant following the death of an account holder

It is possible that we may become aware of your death other than by a notification from, or on behalf of, your next of kin or the person who is dealing with your estate. For example, we could be told by the Department for Work and Pensions or such other third party. It is also possible that, even though we haven't been told you are dead, we have reason to believe that you might have died. If so, we can take reasonable steps to verify the position and, if appropriate, to identify who should claim the assets held within your Zurich Portfolio.

Where we reasonably incur external costs in doing this, for example, obtaining a death certificate and/or identifying and tracing the new legal owner(s), we will recover those costs by deducting them from any payment we make from your Zurich Portfolio. The costs that we recover will not be more than £250 as at December 2012. This maximum charge will increase in line with the increase in the Average Weekly Earnings (AWE) in December each year. If there is no increase in the AWE, there will be no change in the maximum charge. If our enquiries lead us to conclude that you are not dead, we will not recover any costs.

A20.16) How to contact us

Please contact us by email, by telephone or in writing.



Email: zurichportfolioteam@uk.zurich.com



Phone: 0345 607 2013

Phone lines are open from 8am until 6.30pm Monday to Friday and 9.30am to 12.30pm on Saturday. We are not open on bank holidays.

We may record or monitor calls to improve our service.



Write to: Zurich Portfolio Team
PO Box 1200
Cheltenham
GL50 9UP

We want everyone to find it easy to deal with us. Please let us know if you need information about our accounts and services in a different format. All our literature is available in large print or braille, or on audiotape or CD.

If you are a textphone user, we can answer any questions you have through a Typetalk Operator. Call us on 18001 0345 607 2013. Or, if you'd prefer, we can introduce your adviser to a sign language interpreter.

Section B – Additional terms that apply specifically to the Zurich Retirement Account

This section does not apply to portfolios held in trust.

B1) Roles and responsibilities

The Retirement Account is a self-invested personal pension (a 'SIPP'), made available by us. It is issued under the Zurich Personal Pension (No. 15) Scheme, (the 'scheme') and is an individual contract between you and us acting in our capacity as the Scheme Administrator of the scheme.

The scheme

The scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004, and is established and governed by a Trust Deed and Rules as amended from time to time ('the scheme rules'). A copy of the scheme rules is available from us on request. The scheme rules set out the legal and regulatory basis on which the scheme is operated and require all dealings with your Retirement Account to comply with HMRC rules and relevant pensions and tax legislation.

Scheme administrator

Sterling ISA Managers Limited is the scheme administrator of the scheme who is responsible for the day-to-day running of the scheme, and for ensuring that payments to the scheme and benefits paid by the scheme are treated in line with relevant pensions and tax legislation and in line with the scheme rules.

The trustee

Zurich Pension Trustees Limited is the trustee of the scheme. The trustee is a bare trustee; this means its only role is to hold the scheme assets for the benefit of you and the other members of the scheme. It is not responsible for the day-to-day running of the scheme. The trustee's address is, Tricentre One, New Bridge Square, Swindon, SN1 1HN.

B2) Starting your Retirement Account

The terms and conditions of the Retirement Account apply from the start date of the Retirement Account in line with section A5. You will be bound by the terms and conditions of the Retirement Account and by the scheme rules.

If there is a conflict between these terms and conditions and the scheme rules, the scheme rules will prevail.

To have a Retirement Account you must fulfil the eligibility criteria detailed in section A3.

B3) Cancellation rights

In addition to the cancellation rights detailed in section A6, the following terms apply.

If you cancel a one-off payment, we will return the payment, less any fall in the value of the assets purchased with both the payment and the tax relief. Tax relief is described in section B4.

If you cancel a cash transfer we will return the payment, less any fall in the value of the assets purchased to the previous scheme.

If you cancel a cash transfer and the transferring scheme refuses to take the transfer back, you and your adviser will be responsible for finding an alternative scheme to which the transfer can be paid. Until then, the transfer will be held as available cash in your Retirement Account.

HMRC regulations only permit the refund of payments in very limited circumstances. Unless you cancel your Retirement Account in line with section A6, once we have accepted a payment, it cannot normally be refunded.

When you first start to take drawdown pension from your Retirement Account, as described in section B9.4, we will send you a cancellation notice. You will be able to cancel the drawdown pension arrangement within 30 days of receiving the cancellation notice. You will not receive cancellation rights on any additional assets you subsequently move into your drawdown arrangement.

If you exercise your cancellation rights in respect of your Retirement Account, you must return any tax-free cash lump sum and income we have paid to you in relation to the transaction that you are cancelling. If you fail to return these payments, then they will be treated as unauthorised payments and become taxable as outlined in section B12.

B4) Payments into your Retirement Account

Subject to HMRC limits, where your adviser tells us that your payments to your Retirement Account are eligible for tax relief (pension relief at source), we will add an amount equivalent to basic-rate tax relief to your payment on our receipt of the payment and invest the combined amount. We will claim the tax relief from HMRC. To qualify for tax relief, payments to your Retirement Account must be made in line with HMRC requirements.

Other than transfers made in line with section B4.1, all payments must be in cash, either by direct debit, cheque, BACS, CHAPS or from your Cash Account.

Subject to section A3, to make payments to a Retirement Account you must be a relevant UK individual according to the applicable law.

Relevant UK individual

Is someone who:

- has relevant UK earnings chargeable to UK income tax for the relevant tax year, or
- is resident in the UK at sometime during the relevant tax year, or
- was resident in the UK both at sometime in the five years immediately before the relevant tax year and when they took out their Retirement Account, or
- has earnings for the relevant tax year from overseas Crown employment that are subject to UK tax, or is married to, or in a civil partnership, with a person who has such earnings

Relevant UK earnings

Earnings that are chargeable to tax in the UK in respect of:

- employment income, or
- income from a trade, profession or vocation (including such partnership income), or
- income immediately derived from the carrying on of a UK or EEA furnished holiday lettings business (including such partnership income), or
- patent income where the individual, alone or jointly, devised the invention for which the patent in question was granted.
- general earnings from an overseas Crown employment that are subject to UK tax.

You or your adviser must tell us as soon as you can if you know or suspect you have stopped qualifying as a 'relevant UK individual'.

In addition to payments from you, regular and single payments can be made by your employer and/or on your behalf by other UK resident third parties.

Once a payment has been accepted, HMRC regulations mean that it is unlikely it can be refunded, unless it is part of a cancellation in line with section A6.

You are not eligible for tax relief on:

- payments made by you after you reach age 75,
- any employer payments made to your Retirement Account, or
- on any transfer payments as described in section B4.1.

B4.1) Transfers in

Where we agree, we will accept a transfer of proceeds from your existing pension scheme(s). The transfer(s) must be made in line with the appropriate regulatory requirements that apply at the time of the transfer(s).

The transfer may be a cash transfer or a transfer of assets, known as re-registration, in line with section A8.3.

Where a transfer includes the re-registration of assets, it will not be possible to sell any of these assets until the re-registration of all assets has been completed.

We may accept transfers from UK registered pension schemes and recognised overseas pension schemes provided there is an appropriately completed application.

Any part of a pension being transferred from another provider that is already being used to provide a capped drawdown pension will be transferred to a separate drawdown pension arrangement. These arrangements will not be capable of receiving any additional cash or assets.

Any part of a pension being transferred from another provider that is already being used to provide a flexi-access drawdown pension will be transferred to a separate drawdown pension arrangement. Following the completion of the transfer, all cash and assets will be moved into a single flexi-access drawdown arrangement which will be capable of receiving additional cash or assets. You won't be able to buy or sell assets in the affected flexi-access drawdown arrangement while this process is taking place. Any subsequent flexi-access drawdown transfers will also be moved into this same arrangement.

B4.1.1) Cash transfers from pension and drawdown pension schemes

Where we receive an application instructing us to arrange a transfer of some or all of your benefits from an existing pension or drawdown pension plan provided by another scheme, we may ask you to provide us with the original policy documents before we accept the transfer. If you are unable to do so, you will be responsible for any losses and/or expenses which are the result, and which a reasonable person would consider to be the probable result, of any untrue, misleading or inaccurate information deliberately or carelessly given by you, or on your behalf in respect to the application.

By submitting the application to transfer, you authorise the release of information between us and the transferring scheme, and where applicable any employer contributing to the plan(s) you are applying to transfer, to enable the transfer of funds to us.

Until the transfer is complete, our responsibility is limited to the return of the total payment received from the transferring scheme.

Where we receive a transfer representing the full value of a plan detailed in your application, you will no longer be entitled to receive any pension or other benefits from the plan.

Where we receive a transfer representing part of the value of a plan detailed in your application, your existing scheme provider will be discharged of all claims and responsibilities only in respect of the part of the plan represented by the transfer.

You will be responsible for any claims losses or expenses that we or the transferring scheme may incur as a result of any incorrect information you provide in the application, or if you fail to comply with any aspect of the application.

B4.2) Payment limits

There are limits on the amount of tax relief you can receive on the payments you make to your Retirement Account. If you are resident in the UK, under current HMRC legislation, the maximum payments you can make in any tax year is the greater of 100% of your relevant UK earnings or £3,600.

Payments made to your Retirement Account also count towards your annual allowance (or money purchase annual allowance if applicable), which restricts the amount of tax relief on your payments to registered pension schemes each year. Your adviser, on your behalf, is responsible for ensuring that payments to your Retirement Account are made in line with HMRC limits, if payments to your Retirement Account exceed the amount specified by HMRC, you may have to pay an annual allowance charge. Subject to HMRC requirements, where the charge is £2,000 or more and is triggered by you exceeding your annual allowance (or money purchase annual allowance if applicable) with payments to your Retirement Account, you can ask us to pay the charge directly from your Retirement Account. Your adviser will arrange for assets to be sold in line with your instructions to meet this charge.

If you are already subject to the Money Purchase Annual Allowance (MPAA) when you take out your Retirement Account, or trigger the MPAA in the future by taking benefits from another pension product, you need to inform us that the MPAA applies to you, and when it was triggered.

B5) Allowable assets

You must only invest in assets that we permit. We may, acting reasonably, vary the assets we permit. We will, on behalf of the trustee, dispose of any holdings in assets that stop being permitted. If you are invested in an asset that is no longer permitted, we will inform your adviser, or their appointed investment adviser(s), and they must arrange to sell your holdings in that asset. If, after 60 calendar days, we have not received instructions to sell your holdings in that asset, we will arrange for them to be sold as soon as reasonably practicable and in line with section A10.3. If this happens, neither the trustee nor we accept liability for any resulting loss. The proceeds from the sale of the asset will be held in your Retirement Account as cash and will be available for investment by your adviser or, where relevant, their appointed investment adviser(s), in any other permitted asset.

B6) Retirement Account charge

We will apply an ongoing charge of £75 each year to the Retirement Account. We will deduct £18.75 quarterly on 5 January, 5 April, 5 July and 5 October, from available cash in your Retirement Account. If there is insufficient available cash to cover the charge, we will sell assets to make up the difference in line with your disinvestment strategy as described in section A13.

The first time we deduct this charge, we will take a proportion of it based on the number of days since your Retirement Account started.

B7) Ownership and custody of assets

You will at all times remain the beneficial owner who has the contractual right to receive the proceeds of the assets in your Retirement Account. These will be paid in line with the scheme rules. However, unless we tell you otherwise, the assets you hold in your Retirement Account will be legally registered as follows:

- **Mutual funds**

Your Retirement Account holdings in mutual funds will be held in the name of our nominee company, Sterling ISA Managers (Nominees) Limited. These holdings will be designated as belonging to the trustee and held for your benefit.

Sterling ISA Managers (Nominees) Limited

We have appointed Sterling ISA Managers (Nominees) Limited as our nominee to hold assets. Sterling ISA Managers (Nominees) Limited is not authorised by the FCA. However we are regulated by the FCA, and accept full responsibility for Sterling ISA Managers (Nominees) Limited's acts and omissions as our nominee.

- **Exchange-traded assets**

Your Retirement Account holdings in exchange-traded assets will be held by our nominated stockbroker's appointed custodian's nominee company, or, if applicable, its sub-custodian's nominee company. These holdings will be designated as belonging to the trustee and held for your benefit.

- **Cash**

Cash in your Retirement Account or due to your Retirement Account will be held by us, as client money, and deposited in one or more pooled client bank accounts with our banking partner. We will keep client money separate from the cash that belongs to us in accordance with the requirements of the FCA rules.

Client money is held as part of a common pool of money across all our customers, so you will not have a claim against a specific sum in a specific account. Your claim will be against our client money pool in general in the event of the insolvency of any of the banks, including our chosen banking partner, with which we keep client money. Should there be a shortfall in the client money pool after such an insolvency, the FCA rules mean that you may share in the shortfall in proportion to your original share of the claims to the client money immediately before the insolvency.

In the event of any shortfall, you may be able to claim compensation from the Financial Services Compensation Scheme. Please see section A20.8 for more details on compensation.

Other assets may be held in the name of the trustee, or Sterling ISA Managers (Nominees) Limited, or in the name of such other custodian or nominee company that we may select.

As holdings in mutual funds and exchange-traded assets will be registered in the same name as other scheme members, the holdings that relate to your Retirement Account may not be immediately identifiable by separate certificates of title. We will identify, record and hold all such assets separately from any of our assets in a way that enables us to identify and locate these assets at any time.

If our nominated stockbroker or its appointed custodian becomes insolvent, there is a risk that there will be a shortfall in the amount of assets available for distribution and that your full entitlement to assets may not be recovered. We will use our reasonable endeavours to recover any loss on your behalf.

B8) Taking your benefits

You can take your benefits in line with the relevant HMRC and Department for Work and Pensions regulations that apply at that time. Currently, you can start taking benefits at any time after you reach age 55 (increasing to 57 from 2028), or earlier if you are either in ill health in line with section B9.1, or have a protected pension age in line with HMRC requirements.

We will only pay benefits from your Retirement Account once we are satisfied that they comply with the scheme rules, HMRC regulations and you have provided the information that we reasonably require.

B8.1) Benefit limits

We will test the value of your Retirement Account in line with the regulatory requirements that apply at the time. Currently we test against the lifetime allowance, when you:

- take a pension and/or lump sum benefits before age 75,
- reach age 75, or
- transfer out to a Qualifying Recognised Overseas Pension Scheme (a non-UK based scheme that meets HMRC criteria) before age 75.

The lifetime allowance is set by the Government and if you exceed this limit, you will incur a lifetime allowance charge on the excess. We will deduct this charge from your Retirement Account and pay it to HMRC.

To test the value of your Retirement Account against the lifetime allowance, we will need you to provide evidence of any lifetime allowance previously used and any protection obtained from HMRC. We will tell your adviser what we need at the appropriate time.

Your adviser is responsible for providing full and accurate information to us, on your behalf, so that we can calculate whether a lifetime allowance tax charge is payable or not. If you do not provide full and accurate information and we are then unable to report or pay the correct tax charge to HMRC, you will be responsible for any costs (including tax charges and penalties) that we incur as a result. We will be entitled to recover these costs from your Retirement Account or from you personally. HMRC may also pursue you personally in respect of any unpaid lifetime allowance tax charge.

B9) Choosing how to take your benefits

We will contact you before your selected pension age, to outline what your options are at that time.

Selected pension age

The age at which you want to start taking your pension benefits. You can ask to change the age that you select.

If, on reaching your selected pension age you do not take your benefits, you must select a new pension age. In the event a new pension age is not selected we will move it on by five years or to age 75 if this is earlier. After age 75 we will move it on by five years.

If you need more information about taking your benefits, you should speak to your adviser.

B9.1) Ill health

If we receive and accept evidence from a registered medical practitioner showing you are incapable of carrying on your occupation because of ill health and you have stopped carrying on your occupation, you may take pension benefits earlier than age 55, in line with the relevant HMRC regulations at that time.

If we receive and accept evidence from a registered medical practitioner showing you are in serious ill health, you may take the whole of your Retirement Account value as a cash lump sum, in line with the relevant HMRC regulations at that time.

Serious ill health

An individual with a life expectancy of less than one year, as certified by a registered medical practitioner.

B9.2) Tax-free cash

Where you request, we will pay any tax-free cash lump sum when you move assets from your Retirement Account into a drawdown pension arrangement or buy a pension annuity, in line with HMRC rules at that time.

The option to take tax-free cash depends on you having sufficient lifetime allowance available. If you do not have sufficient lifetime allowance, any lump sum paid in excess of your lifetime allowance will be subject to a tax charge.

If you take an Uncrystallised Funds Pension Lump Sum from your pre-retirement benefits, this will include an element of tax-free cash. The amount you receive tax-free will depend on your age and remaining lifetime allowance at the time you take the withdrawal as outlined in section B9.5.

If you use tax-free cash to make payments into any registered pension scheme, you may be liable to pay a tax charge on the whole tax-free cash lump sum. We may also incur an associated tax charge and we would claim this from your Retirement Account or, from you directly.

B9.3) Buying an annuity

We do not provide annuities. You can buy an annuity from your choice of provider on the open market. Your adviser will give you information and advice as to whether an annuity is right for you and on choosing an appropriate annuity provider.

Annuity

An annuity is a lifetime income that you can buy with the proceeds of your Retirement Account.

Where you decide to buy an annuity, your adviser will notify us of this. We will sell the assets in your Retirement Account as soon as reasonably practicable in line with section A10.3. We will transfer the proceeds directly to your annuity provider. If you have chosen to take tax-free cash, we will calculate the tax-free cash due to you and then pay this to you at the same time we make the transfer. The annuity provider must be a UK insurance company, an EU company that is allowed to provide UK pensions or a UK friendly society. Your Retirement Account will then end.

If you choose to use only part of your Retirement Account to buy an annuity and/or take tax-free cash, the rest of your Retirement Account will remain invested in the assets previously selected.

B9.4) Drawdown pension

You can draw an income directly from your Retirement Account. This must be in line with the relevant HMRC regulations applying at the time. If you choose this option, your adviser will set this up for you and we will move some or all of the assets in your Retirement Account into a drawdown pension arrangement. If you have chosen to take tax-free cash, we will pay this to you at the same time as we move your assets.

Although we don't specify a minimum account value for setting up a drawdown pension, you should have a Retirement Account value of at least £50,000 after the payment of any tax-free cash lump sum.

If you moved some of your Retirement Account into capped drawdown before 6 April 2015 you will have the choice to move more assets into capped drawdown, or into flexi-access drawdown. If you did not move some of your Retirement Account into drawdown before 6 April 2015, any cash or assets you move into drawdown will be moved into flexi-access drawdown.

Flexi-Access Drawdown

Provides an income from your Retirement Account with no limit set on the level of income you can take.

Capped Drawdown

Provides an income from your Retirement Account, but has a maximum income limit set by HMRC. Capped Drawdown is only available to people who were already using it before 6 April 2015.

B9.4.1) Taking a drawdown pension

You can choose to draw an income using part of the whole value of your Retirement Account. Your adviser will provide you with a drawdown pension illustration based on the value of your Retirement Account being used to provide a drawdown pension. If you choose to proceed, your adviser will instruct us to transfer the specified assets into a separate drawdown pension arrangement from which the income will be paid to you. Once your adviser has instructed us to do this, you won't be able to buy or sell assets in your pre-retirement benefits until the transfer has completed.

If you initially only move some of your assets into the drawdown arrangement, you may move additional assets into this arrangement at any time. Whenever you move assets into the drawdown arrangements you can take tax-free cash as described in section B9.2.

When we move your assets into drawdown we will recalculate the tax-free cash based on the asset values when we authorise it. As such, the amount of tax-free cash you receive may be different to the amount illustrated. If you are moving additional assets into a capped drawdown arrangement that started before 6 April 2015, the amount of income as well as the tax-free cash will be re-calculated based on asset values when we authorise it and may be different from the amounts illustrated.

B9.4.2) Taking income from a drawdown pension

You may take one-off drawdown pension payments, regular income payments or take no income at all. Taking income from an arrangement that is providing a flexi-access drawdown pension will trigger the Money Purchase Annual Allowance (MPAA) (see the 'Guide to Pension Tax' for more on the MPAA) if it does not already apply to you. Taking income from an arrangement that is providing a capped drawdown pension will not trigger the MPAA.

Regular income payments may be paid monthly, quarterly, half-yearly or yearly on any date between the 1st and the 28th of the month inclusive. If you have more than one drawdown arrangement, all arrangements will have the same income payment frequency and date.

The specified start date must be at least ten business days from the later of either:

- The date of the instruction, or
- The date the money is received in the account, or
- The date we verify the bank or building society account to which we will make the payment.

You can change, start or stop at any time subject to available assets and, for capped drawdown arrangements, HMRC maximum drawdown pension limits.

We will make drawdown pension payments in line with the instructions we receive, either by BACS to a nominated UK bank or building society account verified by us, or to your Cash Account.

If an income payment date is due on a non-business day, you will receive it on the last business day before the due date.

The start of regular drawdown pension income payments will be the latest of:

- The date of the instruction, or
- The drawdown pension arrangement start date, or
- The date the money is received, or
- The date we verify the bank or building society account to which we will make the payment

Drawdown payments are subject to income tax under pay-as-you-earn (PAYE).

We may prevent any such drawdown pension payments where we know of, or suspect, fraud or money laundering.

When your adviser first sets up your drawdown arrangement, they will also set up an income payment strategy to fund the drawdown pension income you have requested. This can be changed at any time.

Income payment strategy

This determines the assets to be sold to fund your drawdown pension income. It may be from specified assets, or proportionately based on the value of each asset held in your drawdown arrangement.

Other than where drawdown pension income payments are being taken proportionately from the value of each asset, your adviser may select an income payment strategy that includes assets being managed by an investment adviser. Where they do, the investment adviser will decide what assets to disinvest from the assets they manage in order to make sufficient cash available. These cash holdings will be used as part of the income payment strategy.

We will sell assets in line with section A10.3 and with your income payment strategy, up to ten business days before a regular income payment is paid to you.

If an income payment strategy set by your adviser includes a model portfolio, the amount deducted from the model portfolio will be deducted proportionately from each asset within it.

If the income payment strategy set by your adviser fails for any reason, but there remains sufficient value in the drawdown pension arrangement to support it, the income payment will still be paid. The income payment will be funded from available cash in the arrangement. If there is insufficient available cash, we will sell assets in line with the applicable disinvestment strategy in line with section A13 and tell your adviser.

B9.4.3) Limits on taking income from a drawdown pension

If you have arrangements that are providing a flexi-access drawdown pension, there are no limits or restrictions on the amount of income you can take.

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

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

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

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

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

B9.4.4) Converting Capped Drawdown to Flexi-Access Drawdown

Your adviser can instruct us to convert any capped drawdown arrangements created or transferred into your Retirement Account to flexi-access drawdown. Immediately prior to the conversion taking place, any accrued charges or interest will be applied to the arrangements selected for conversion.

Once the instruction to convert an arrangement has been submitted, you will not be able to buy or sell assets within that arrangement until the conversion has completed.

If you moved some or all of your Retirement Account into capped drawdown before 6 April 2015 and subsequently convert this arrangement to flexi-access drawdown, the capped drawdown arrangement will be closed and any future designations into drawdown will have to be into flexi-access drawdown.

It will not be possible to convert a capped drawdown arrangement to flexi-access drawdown if any of the following apply:

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

The capped drawdown arrangements being converted will be merged into a single flexi-access drawdown arrangement. This single arrangement will also include any cash or assets that you have moved into flexi-access drawdown in your Retirement Account, and any pensions you have transferred to your Retirement Account that were already being used to provide a flexi-access drawdown pension.

Once an arrangement has been converted to flexi-access drawdown it is not possible to convert it back to capped drawdown. If income is taken from the flexi-access drawdown arrangement after the conversion has completed, this will trigger the Money Purchase Annual Allowance if it does not already apply to you.

B9.5) Uncrystallised Funds Pension Lump Sum

If you want to access some or all of your pre-retirement benefits you can withdraw a lump sum from your Retirement Account, known as an Uncrystallised Funds Pension Lump Sum.

Taking such a withdrawal from your Retirement Account will trigger the Money Purchase Annual Allowance (MPAA) which will reduce the amount you can save into money purchase pensions in the future.

When you take an uncrystallised funds pension lump sum, part of the withdrawal will be paid free of tax, and the rest taxed as income. How much you receive tax-free depends on your age and the amount of lifetime allowance you have left when you make the withdrawal.

- If you are under 75, 25% of the amount you withdraw will be paid tax-free.
- If you are over 75, 25% of any withdrawal within your Lifetime Allowance will be paid tax-free. However, if your withdrawal exceeds your remaining lifetime allowance, you will receive a maximum of 25% of your remaining lifetime allowance tax-free.

The remainder of the withdrawal will be taxed as income.

If we don't already hold an up to date tax-code for you, we are required by HMRC to tax this on an emergency tax code on a month one basis. If this causes more tax to be taken than you are due to pay on the income you will need to reclaim any overpaid tax direct from HMRC. Alternatively, if the amount of tax taken is too low, you will need to account for this directly with HMRC.

If you withdraw all of your pre-retirement benefits in this way, any outstanding charges will be taken before the withdrawal is paid out.

B9.6) Small pension funds

You may be able to take the full value of your Retirement Account as a cash lump sum if it meets the requirements of the small pension fund rules at that time. This cash lump sum will be paid 25% free of tax, with the remainder subject to income tax in line with HMRC requirements.

Taking your Retirement Account as a small lump sum will not trigger the Money Purchase Annual Allowance.

B10) If you die

If you die, we can pay the value of your Retirement Account to your beneficiaries as a cash lump sum, as drawdown pension, or to another provider to buy an annuity. The options available will depend on whether you have already taken any benefits from your Retirement Account, your age when you die and whether you have set up a trust. On notification of your death we will write to the relevant beneficiaries or the person dealing with your financial affairs, giving details of the options that apply at the time.

Any benefits will be paid in line with HMRC requirements.

If you have set up a trust, we will pay the death benefits from your Retirement Account to the trustees of that trust.

Unless your Retirement Account is written in trust, we will decide in line with the scheme rules who to provide benefits to and how much each person will receive, taking into consideration any nomination you have made.

Beneficiaries may include:

- your husband, wife, registered civil partner, children and grandchildren

- your financial dependants
- any individuals entitled to any interest in your estate, and
- individuals or registered charities you have nominated.

Details of any beneficiaries that you want to nominate can be added to your Retirement Account by your adviser on your behalf and you should speak to your adviser to arrange this. If you do not want to discuss the details of your beneficiaries with your adviser, you can ask them to provide you with a nomination of beneficiary form that you should complete and return directly to us using the address in section A20.16. We will take into consideration any nomination but we are not legally required to pay benefits in line with it.

B10.1) If you die before taking any benefits

Your beneficiaries will have the following options:

B10.1.1) Cash lump sum

Your beneficiaries can choose for any death benefits to be paid as a cash lump sum. Where they do so, we will arrange to sell assets to provide this.

If you die before your 75th birthday, we will usually pay the cash lump sum free of tax. However, if you die on or after your 75th birthday, the cash lump sum will be subject to a tax charge. We will deduct this before the lump sum is paid. Currently, if the cash lump sum is paid to a charity, the tax charge will not apply.

If you die before age 75, there may be a tax charge if we are unable to pay a cash lump sum death payment within two years of notification of death due to any outstanding requirements.

If the payment of lump sum death benefits causes the lifetime allowance to be exceeded, the excess will be subject to the lifetime allowance charge. The person(s) in receipt of such a lump sum will be liable to HMRC for any lifetime allowance charge. Your legal personal representatives must find out whether any such charge is due.

B10.1.2) Annuity

If a beneficiary chooses to take an annuity, we will transfer the appropriate share of the value of your Retirement Account to an annuity provider of their choice, in line with section B9.3.

B10.1.3) Drawdown pension for a dependant, nominee or successor

Where a beneficiary has taken appropriate financial advice from an adviser with whom we have an agreement, they may choose to take drawdown pension from a Retirement Account with us. Where we agree to this, their share of the value of your Retirement Account will be transferred into a new Retirement Account set up in their name.

If you die before your 75th birthday, any drawdown income that a beneficiary takes will usually be paid free of tax. However, if you die on or after your 75th birthday, any drawdown income they take will be taxed as income.

If the beneficiary is a dependant, they will receive a dependant's drawdown pension. If the beneficiary is not a dependant, they will receive a nominee's drawdown pension.

On the subsequent death of a dependant or nominee, if there is any value remaining in their drawdown pension, this can be passed on to provide a drawdown pension for a successor.

Dependant

Under HMRC legislation, 'dependant' means, as at the date of your death:

- a) your spouse or registered civil partner,
- b) any child of yours (including children who are adopted and step children) who is under age 23 or who is dependent on you due to physical or mental impairment, or
- c) any other individual who was financially dependent on you or who had a relationship of mutual dependence with you immediately before your death, or was dependent because of physical or mental impairment

B10.2) If you die after setting up a drawdown pension

The following section only applies to assets in arrangements being used to provide a drawdown pension. We will treat any remaining assets not being used to provide a drawdown pension in line with section B10.1.

We will normally use the value of your drawdown pension arrangement(s) to provide benefits for any one or more of your nominated beneficiaries, as detailed under section B10.

If benefits are provided for more than one person, we will decide in line with the scheme rules what proportion of the value of the drawdown pension arrangement to use for each person. The relevant person(s) may, subject to HMRC rules, then choose to have their proportion used to:

- Pay them a cash lump sum. If you haven't reached age 75, this will usually be paid tax-free. If you have reached 75 at the time of your death, a tax charge will apply.
- Buy an annuity with another provider (as set out in section B10.1.12), or
- Take a dependant's, nominee's or successor's drawdown pension (as set out in section B10.1.3).

We may decide to pay part or all of the value of your Retirement Account as a cash lump sum. We will always do so if you are not survived by your spouse or registered civil partner and you have no dependants or suitable nominees.

Any drawdown pension payments made from your Retirement Account between the date of death and the date of notification of death may need to be returned to us. In certain circumstances they may be treated as unauthorised payments, and your estate will be liable for any resulting tax charges, unless otherwise permitted in line with HMRC requirements.

B11) Transfers out

You can transfer some or all of the value of your Retirement Account, as a cash transfer or by the re-registration of assets, to another HMRC registered pension scheme or Qualifying Recognised Overseas Pension Scheme (QROPS) prepared to accept the transfer, at any time before you take benefits.

Any part of your Retirement Account already being used to provide drawdown pension, must be transferred in full.

If you transfer to a HMRC registered QROPS, we will test the value of the benefits being transferred against your lifetime allowance. Such a transfer may incur a lifetime allowance charge of 25%.

B12) Unauthorised payments

We will not knowingly pay benefits from your Retirement Account that, under the terms of the Finance Act 2004, would be regarded as unauthorised. If you receive an unauthorised payment or other benefit from your Retirement Account in error, you must return it. If this results in a tax charge, you will be responsible for meeting this unless it is incurred as a result of us acting fraudulently, negligently or operating your Retirement Account incorrectly.

We may also incur liabilities, including a scheme sanction charge, which HMRC may impose. If this happens, we will deduct the amount from your Retirement Account or claim it from you directly. However, we will make no such deduction or claim if the scheme sanction charge is incurred as a result of us acting fraudulently, negligently or operating your Retirement Account incorrectly.

B13) Pension sharing order

You cannot give away any part of your Retirement Account during your lifetime, except under a pension sharing order made after a divorce or dissolution of a civil partnership.

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

We reserve the right to recover reasonable administrative expenses from your Retirement Account to the appropriate value for carrying out a pension-sharing order under Part IV of the Welfare Reform and Pensions Act 1999.

B14) Closing your Retirement Account

You or your adviser may instruct us to close your Retirement Account, where you have either transferred the full value to another registered scheme, or used the full value to purchase an annuity, and your Retirement Account has a zero value.

Otherwise, we may close your Retirement Account:

- three months after the full value has been transferred out or used to buy an annuity, or
- where there is a material breach in the terms and conditions, or
- on the winding-up of the scheme in line with the scheme rules.

We will tell your adviser before we close your Retirement Account.

Section C – Additional terms that apply specifically to the Investment Account

C1) Eligibility

In addition to the eligibility criteria in section A3, the Investment Account is also available to a third party provider, with whom we have an appropriate agreement.

C2) Starting your Investment Account

An Investment Account may be held in a single name, joint names, by the trustees of a trust or the name of the third party provider, but it must be in the same name(s) as the Zurich Portfolio in which it is held.

Your Investment Account is available from the date your Zurich Portfolio starts in line with section A5.

C3) Instructions

Whenever an instruction requires the sale of assets, the sale will be treated as a disposal for capital gains tax purposes.

Before submitting instructions that relate to a joint account or an account held in trust, your adviser is responsible for obtaining the appropriate consent, in line with your agreement with them. Where we receive instructions from your adviser or their appointed investment adviser(s) relating to a joint account or an account held in trust, unless we are told otherwise we will act on those instructions on the basis that the appropriate consents have been obtained.

C4) If you die

Where an Investment Account is held in joint names, on the death of the first account holder, we will close the associated joint Zurich Portfolio and transfer the holdings to a Zurich Portfolio in the name of the surviving account holder.

This does not apply to accounts held in trust.

If your Investment Account is held in joint names and there is any investment in a model portfolio managed by an investment adviser on your behalf, on the death of the first account holder, those investments will be removed from the Investment Adviser model portfolio and transferred to a Zurich Portfolio in the name of the surviving Account holder.

C5) Closing your Investment Account

Your adviser, may instruct us to close your Investment Account, where all the assets have been re-registered or sold and the value withdrawn.

Otherwise, we may close your Investment Account:

- three months after the full value has been withdrawn, or
- where there is a material breach in the terms and conditions.

We will tell your adviser before we close your Investment Account.

If you do not have an adviser and ask us to close your Investment Account, we will do so but this will be at your own risk.

Section D – Additional terms that apply specifically to the Zurich Stocks and Shares ISA

This section does not apply to portfolios held in trust.

D1) Roles and responsibilities

We will manage your Stocks and Shares ISA in line with the ISA regulations. If these terms and conditions conflict with the ISA regulations, the ISA regulations will prevail.

ISA Regulations

The Individual Savings Account Regulations 1998 (as amended or replaced).

Assets will be held in line with section A11. You will always remain the beneficial owner of the assets in your ISA and they must not be used as security for a loan.

We will tell you, as soon as we can, of any failure to satisfy the ISA regulations that has caused, or will cause, some or all of your ISA to become void. If HMRC tell us your ISA is void or partially void under the ISA regulations, we will make any deductions from your ISA value as required by HMRC and, if applicable, close the your Stocks and Shares ISA.

D2) Starting your Stocks and Shares ISA

You can start your ISA with a single or regular payment or with a cash transfer or re-registration of existing assets, from another ISA manager.

You must make a declaration when you first start your ISA. If you make payments into it each year you will not have to make another declaration. However, if you do not pay into your ISA during a tax year and want to make a payment in a subsequent tax year, you will need to make a new declaration before we can accept your further payment.

D3) Cancellation rights

In addition to the cancellation rights detailed in section A6, the following terms apply.

You will be responsible for finding an alternative ISA manager to which the transfer will be paid if:

- you cancel a transfer of a cash ISA into your Stocks and Shares ISA, HMRC rules mean we will not be able to return the transfer to the cash ISA manager, or
- you cancel the cash transfer of a stocks and shares ISA and the transferring ISA manager refuses to take the transfer back.

If you cancel we will hold the proceeds as available cash, if you do not tell us where to send the proceeds within 60 calendar days, we will send the proceeds to you.

If you cancel your ISA within 30 days you will be treated as not having taken it out and you will still be able to take out another Stocks and Shares ISA in the same tax year with us or a different ISA manager.

D4) Payments to your Stocks and Shares ISA

Your payments must not exceed the applicable yearly ISA allowance. However, you may transfer in previous tax years payments in full. In the event of the death of your spouse or civil partner, your allowance may be increased by the value of their ISA holdings at the time of their death.

It is your responsibility along with your adviser, to ensure that any payments you make do not exceed the maximum allowance for the tax year in which you make them.

You can make a payment for the following tax year before 6 April, but only up to the current tax year limit. We will invest the amount in your Cash Account, where it will be ring-fenced so it will not be used to take charges or to pay adviser remuneration. It will be transferred to your Stocks and Shares ISA on the later of:

- the first business day of the new tax year, and
- the date the payment clears.

D5) Transfers in

You may at any time instruct your existing ISA manager to transfer all or part of your ISA(s) with them to us, in line with the ISA regulations. This may be as a cash transfer or, where possible, by re-registration of assets.

We will accept the transfer of assets from your existing stocks and shares ISA or cash ISA holdings as long as it is in line with the appropriate regulatory requirements at the time of the transfer. You may also be able to transfer any cash or assets from an ISA held by your spouse or civil partner at the time of their death.

You may at any time ask us to transfer your Cash ISA holdings to your Stocks and Shares ISA.

On receipt of a cash transfer and accompanying information from your existing ISA manager, we will credit the transfer to your Stocks and Shares ISA.

If you oversubscribe, we will invest the maximum amount allowable in that tax year and pay the remainder to your Cash Account, from where it will be available for investment or to withdraw.

D6) Asset holdings

Eligible assets

You must only invest in assets that are eligible under the ISA regulations. If you are invested in an asset that subsequently becomes ineligible under the ISA regulations, we will inform your adviser, or any investment adviser(s), and they must arrange to sell your holdings in that asset. If, after 30 calendar days, we have not received instructions to sell those holdings, we will arrange for them to be sold as soon as reasonably practicable and in line with section A10.3. We will not accept liability for any resulting loss. The proceeds from the sale of the asset will be held in your ISA as cash and will be available for investment by your adviser or, where relevant, any investment adviser(s), in any other ISA qualifying asset available through us.

D7) Shareholder rights

Unless we receive appropriate instructions from your adviser or their appointed investment adviser(s), we will not exercise any of the voting rights attaching to the assets in your accounts.

With respect to your assets, at the request of your adviser or their appointed investment adviser(s), we will arrange for you to:

- receive a copy of the annual report and accounts issued by a company or other concern in respect of which shares, securities or units are held in your accounts
- attend shareholders', securities holders' or unit holders' meetings, exercise voting rights, and/or
- receive any other information issued to shareholders, securities holders or unit holders.

However, we require at least 14 days prior written notice from your adviser or any investment adviser(s) in order to comply with your request. You will be responsible for the costs we reasonably incur in providing this service.

You will not be entitled to any benefits, such as product discounts, that an individual shareholder owning shares in their own name, may benefit from.

D8) Taking money out

Where, through your adviser, you instruct us to do so, we will arrange for all or part of the assets held in your ISA and any proceeds arising from them to be paid to you, or transferred or re-registered to another provider in line with the ISA regulations and within the specified time.

If you do not specify a date, we will sell the appropriate assets in line with section A10.3 and pay the proceeds as soon as reasonably practicable. If you or your adviser specifies a date that you want a withdrawal or transfer paid, we require you to give us a minimum prescribed period of notice prior to the specified withdrawal date, to ensure we have a reasonable period of time to implement the withdrawal or transfer request, which will be subject to a maximum of 30 days. The actual minimum period we require will depend on the assets you are invested in and whether you want to re-register assets to a new ISA manager. If an asset in your Stocks and Shares ISA is suspended from trading at the time of the request, this minimum period may be extended by up to seven days after the suspension ends.

D8.1) Transferring to another ISA manager

Subject to the ISA regulations, you may request that we transfer or re-register assets relating to your current and/or previous tax year's payments to another ISA manager able and willing to accept them. On receipt of the appropriate transfer request we will arrange for your assets to be either re-registered, or sold and the cash balance transferred to your new ISA manager.

HMRC rules currently allow you to transfer all or part of a previous tax year's payments, but the current tax year's payments can only be transferred in full.

D9) If you die

If you die, unless we are notified otherwise, we will sell your assets and transfer the proceeds to your Cash Account before we pay them to your legal personal representatives in line with section A16. Your account will stop being free from tax from the day after the date of your death.

If your representatives ask us not to sell the assets so that they can be moved into your spouse or civil partner's ISA, we will hold them in your Investment Account until your estate is finalised.

D10) Closing your Stocks and Shares ISA

Your adviser, or you, may instruct us to close your ISA, where all the assets have been transferred, re-registered or sold and value withdrawn.

Otherwise, we may close your account:

- three months after you withdraw, transfer or re-register the full value of your ISA,
- if there is a material breach in the terms and conditions,
- if the account is deemed to be void under the ISA regulations, or
- if, we stop being an authorised ISA manager.

We will tell your adviser before we close your account.

If you do not have an adviser and ask us to close your Stocks and Shares ISA, we will do so but this will be at your own risk.

Section E – Additional terms that apply specifically to the Zurich Cash ISA

This section does not apply to portfolios held in trust.

E1) Roles and responsibilities

We will manage your Cash ISA in line with the ISA regulations. If these terms and conditions conflict with the ISA regulations, the ISA regulations will prevail.

ISA Regulations

The Individual Savings Account Regulations 1998 (as amended or replaced).

You will always remain the beneficial owner of the cash in your ISA and it must not be used as security for a loan.

We will tell you, as soon as we can, of any failure to satisfy the ISA regulations that has caused, or will cause, some or all of your ISA to become void. If HMRC tell us your ISA is void or partially void under the ISA regulations, we will make any deductions from your ISA value as required by HMRC and, if applicable, close your Cash ISA.

The Cash ISA is provided through an arrangement with our banking partner. In the event of our banking partner becoming insolvent, your cash holdings may be at risk, in line with section A11.

An investment adviser cannot be appointed to manage assets in a Cash ISA.

E2) Starting your Cash ISA

You can start your Cash ISA with a one-off payment, regular payments or with a transfer from an existing cash ISA, from another ISA manager.

You must make a declaration when you first start your ISA. If you make payments into it each year, you will not have to make another declaration. However, if you do not pay into your ISA during a tax year and want to make a payment in a subsequent tax year, you will need to make a new declaration before we can accept your further payment.

E3) Cancellation rights

In addition to the cancellation rights detailed in section A6, the following terms apply.

If you cancel your Cash ISA within 30 days of receiving your cancellation notice, you will be treated as not having taken it out and you will still be able to take out another cash ISA in the same tax year with us or a different ISA manager.

If you cancel a transfer and the transferring ISA manager refuses to take the transfer back, you will be responsible for finding an alternative provider to which the transfer will be paid.

On cancellation, if you do not tell us where to send the proceeds within 60 calendar days, we will send the proceeds to you.

E4) Payments to your Cash ISA

Your payments must not exceed the applicable yearly ISA allowance. However, you may transfer in previous tax years payments in full. In the event of the death of your spouse or civil partner, your allowance may be increased by the value of their ISA holdings at the time of their death.

It is your responsibility along with your adviser, to ensure that any payments you make do not exceed the maximum allowance for the tax year in which you make them.

You may make a payment for the next tax year before 6 April, but only up to the current tax year limit. We will invest the amount in your Cash Account, where it will be ring-fenced so it will not be used to take charges or to pay adviser remuneration. It will be transferred to your Cash ISA on the later of:

- the first business day of the new tax year, and
- the date the payment clears.

E5) Transfers in

You may at any time instruct your existing ISA manager to transfer all or part of your cash ISA(s) with them to us, in line with the ISA regulations.

We will accept the transfer of proceeds from your existing cash ISA holdings as long as it is made in line with the appropriate regulatory requirements at the time of the transfer. You may also be able to transfer cash from an ISA held by a spouse or civil partner at the time of their death.

On receipt of a cash transfer and accompanying information from the other ISA manager, we will credit the transfer to your Cash ISA.

If you oversubscribe, we will invest the maximum amount allowable in that tax year and pay the remainder to your Cash Account, from where it will be available for investment or to withdraw.

E6) Taking money out

Where, through your adviser, you instruct us to do so, we will arrange to pay to you or transfer to another ISA manager the value of your account in line with the ISA regulations and within any timeframe specified by your adviser. We require you to give us a minimum prescribed period of notice prior to the specified withdrawal date to ensure we have a reasonable period of time to implement the withdrawal or transfer request, this is subject to a maximum of five business days.

E7) If you die

If you die, we will transfer the proceeds of the ISA to your Cash Account before we pay them to your legal personal representatives in line with section A16. Your account will stop being free from tax from the day after the date of your death.

E8) Closing your Cash ISA

Your adviser, or you, may instruct us to close your ISA, where the proceeds have been transferred or the value withdrawn.

Otherwise, we may close your account:

- three months after you withdraw, transfer or re-register the full value of your ISA,
- if there is a material breach in the terms and conditions,
- if the account is deemed to be void under the ISA regulations, or
- if we stop being an authorised ISA manager.

We will tell your adviser before we close your account.

If you do not have an adviser and ask us to close your Cash ISA, we will do so but this will be at your own risk.

Section F – Additional terms that apply specifically to the Zurich Portfolio Cash Account

F1) Roles and responsibilities

This account may be used to facilitate the movement of cash into and out of the Zurich Portfolio, by you or us. There is no requirement for you to use this account or to hold any cash in it. We will use it in certain circumstances to hold cash benefits, before we make a payment.

We will hold any cash in your Cash Account in line with sections A9.3, A9.3, A11, D4, D5, E4 and E5.

F2) Starting your Cash Account

Your Cash Account is provided as part of the Zurich Portfolio and is available from the date your Zurich Portfolio starts. It will then remain open until the Zurich Portfolio is closed.

F3) Payments to your Cash Account

You may make one-off or regular payments into your Cash Account. Withdrawals from other account(s) within your Zurich Portfolio may also be paid into your Cash Account.

We are not able to accept the transfer of cash holdings from outside your Zurich Portfolio, into your Cash Account.

F4) Taking money out

You can take money out of your Cash Account. This can be:

- paid into any other account(s), as a single payment only, within your Zurich Portfolio, subject to any account specific restrictions that may apply to payments in, as detailed in the applicable sections, or
- used to fund one-off or regular withdrawals to a UK bank or building society account verified and authorised by us, in line with section A14.

F5) If you die

We will pay the proceeds from the Cash Account to your legal personal representatives in line with section A16.

Appendix A

Summary of Zurich's order execution policy for the Zurich Portfolio

Glossary

Adviser – A business or individual authorised and regulated by the Financial Conduct Authority (FCA), including any appointed representative of the adviser, permitted by us to use the Zurich Portfolio online service and who has agreed with us terms of business relating to the use of the Zurich Portfolio online service.

Confirmation – when the volume of assets and the price has been accepted by the seller in a trade.

Consideration – the price of the relevant exchange-traded assets or units in a mutual fund together with any costs and expenses related to execution.

Cut-Off Point – period prior to valuation point after which instructions submitted to trade in the relevant mutual fund will be traded at the following valuation point.

Execution Venue – the market or arena where the trade is carried out.

Investment Adviser – An appropriately authorised discretionary asset manager with whom we have agreed terms of business, and who manages model portfolios available through the Zurich Portfolio.

Market Disruption – a situation where markets function in an irregular manner, potentially amounting or leading to severe and rapid decline. Causes may include physical threats (for example, terrorism) or unusual trading (for example, market crashes).

Oversized Trades – quantities of particular exchange-traded assets such that an instruction to trade cannot be easily facilitated or can only be facilitated on unfavourable terms (for example, insufficient or no market or liquidity available).

Settlement – the point at which a trade is completed and money has passed from buyer to seller.

Units – redeemable shares in a mutual fund.

Valuation Point – a specified time at which a fund manager sets the unit price. As this is a specified time in the future, it is not possible to know the exact price applicable to the transaction until the trade has been confirmed.

Introduction

The EU Markets in Financial Instruments Directive (MiFID) is enforced in the UK through the FCA. If a financial product provider is involved in executing instructions to buy or sell investments, MiFID requires the provider to implement an 'order execution policy'. It enables the provider to take reasonable steps to get the best possible returns for their customers when executing instructions to trade or when receiving and transmitting instructions to trade.

The order execution policy is a confidential document for internal use by us only. We have published a summary here and we will ensure this is kept up-to-date following any changes. Should there be any changes, a revised summary will be made available to you and your adviser.

Before your adviser or, where appropriate, any investment adviser, submits trading instructions on your behalf, they must have either your discretionary or explicit authorisation.

Objective

This document provides a summary of our order execution policy. It is important that you read this document and understand how we process instructions to trade that are received from your adviser or any investment adviser.

The order execution policy describes the reasonable steps we take when transmitting an instruction to trade with the relevant fund manager (for mutual funds) or transmitting trades to our nominated stockbroker (for exchange-traded assets) who will execute the instruction.

We will carry out this service in accordance with our order execution policy. By accepting the Zurich Portfolio Terms and conditions, you are agreeing to instructions to trade on your behalf by your adviser or their appointed investment adviser being submitted online and carried out in accordance with the details in this order execution policy summary.

If your adviser or any investment adviser provides us with specific instructions as to how your trading instructions should be executed, we will have complied with our obligation to take all reasonable steps to obtain the best possible result when transmitting your trading instructions.

Placing an instruction to trade

Trading instructions are submitted online by your adviser or any investment adviser through our online wealth management service. By exception, where you no longer have an adviser registered with us, we may accept your verbal or written trading instructions directly.

When we receive trading instructions for a 'buy' transaction, the wealth management service automatically matches them with the corresponding payment or cash transfer or with available cash held in the relevant account. If you are funding a 'buy' transaction with the proceeds of a 'sell' transaction, a 'switch', the wealth management service matches the 'buy' trading instruction on confirmation from the fund manager that the instruction to 'sell' has been accepted.

Once placed, the treatment of the trading instruction depends on whether the instruction to trade is for a mutual fund or an exchange-traded asset.

The proceeds of successfully completed 'sell' instructions that are not being used to fund a 'buy' transaction will be made available as cash in the relevant account on receipt of confirmation from the relevant fund manager, or our nominated stockbroker.

Where we receive a trading instruction to 'switch' funds, sometimes the fund from which units are being sold can have a longer settlement period than the one in which the units are being purchased. Where this occurs, we are required by the FCA to ensure we have sufficient assets available to cover the liability which arises between the purchasing of the units and our receiving settlement from the fund in which units have been sold. We may defer the purchase of units in a fund, pending receipt of the proceeds of the related sell instruction, where we reasonably believe that the level of the assets, which we are required to hold in respect of our customers, may adversely affect our liquidity.

If we have to delay a transaction for this reason, we will contact whoever sent us the instructions as soon as we reasonably can to let them know this and we will keep them informed about when the transaction may complete.

We may delay or suspend the transmission of any trading instruction where an event, act or circumstance outside our reasonable control affects (or can reasonably be expected to affect) our ability or the ability of another party to act on the trading instruction in accordance with applicable law and regulation or in your best interests; for example, market disruption.

Execution factors

To get the best possible returns for you, we consider a number of 'execution factors' that influence each instruction to trade in exchange-traded assets or mutual funds:

- Your characteristics: This means that in the absence of express instructions from your adviser or investment adviser, we will accord the highest importance to total consideration, which is the price of the relevant exchange-traded assets, or units in mutual funds together with any costs and expenses related to execution.
- The characteristics of the trade:
 - Nature of the trade: whether to buy or sell assets;
 - Cost: we control cost through financially prudent management of the processes we use in our order execution policy;
 - Price: our nominated stockbroker provides, where possible, instant online exchange-traded assets quotes. Mutual funds are priced by the relevant fund managers;

- Size: trades will be treated the same, with the exception of oversized trades in exchange-traded assets which may be restricted to the 'at best' purchase method, which is explained later; and
 - Speed: mutual fund trades are placed in time to participate in the next valuation point, providing the instruction is received pre cut-off and sufficient available cash is available in the account. Exchange-traded asset trades are transmitted as soon as sufficient cash is available in the account.
- The characteristics of the financial instrument (assets) which is the subject of the trade.
 - The characteristics of the account as there are different regulations for different accounts.
 - The characteristics of the execution venues: the market or markets upon which the trade can be executed. Instructions to trade for exchange-traded assets will be executed differently to those for mutual funds.

Mutual funds

Our wealth management service provides access to a range of mutual funds online. Your adviser or their appointed investment adviser(s) can buy or sell units in funds online, on your behalf. Exceptionally, where you have no adviser able to act on your behalf, we may accept your written or verbal investment instructions directly.

Once your adviser or any appointed investment adviser(s) has entered an instruction to trade online and sufficient cash is available, the trade will be released to market. It will be sent via electronic messaging to the relevant fund manager who will execute the instruction at the next available valuation point. A valuation point is a specified time in the future at which a fund manager sets the unit price. To ensure that we transmit the instructions in time for each valuation point, we operate a cut-off time for receipt of adviser or investment adviser instructions which is approximately 1 hour before the fund valuation point. An instruction received after this cut-off time will be executed at the next available valuation point. It is important to note that not all mutual funds will trade daily.

The mutual funds available through our wealth management service include, but are not limited to:

- Open Ended Investment Companies (OEICs)
- Unit Trusts
- SICAVS (Société d'Investissement à Capital Variable)

Before they can be executed, all instructions to buy require either sufficient available cash to be in your account or, an instruction to sell that has been confirmed where the proceeds are at least equal to the value of the instruction to buy.

Should a scheduled trade for units in a mutual fund fail for any reason, we will contact your adviser or any appointed investment adviser(s) to explain why this has happened. They will need to re-submit the instruction to trade if you wish to proceed with it.

Non-regulated funds

The wealth management service may allow access to non-regulated mutual funds. To submit an instruction to trade in these funds, advisers or investment advisers must have appropriate permissions from the FCA to trade in such assets. In addition, they must complete an on-screen declaration confirming they have checked your suitability to invest in such assets and fully disclosed to you the consequences of buying them.

Exchange-traded assets

Zurich's wealth management service provides access to exchange-traded assets, in real time, for UK-listed securities including, but not limited to:

- Shares
- Exchange-traded funds
- Investment trusts
- Fixed interest securities (including, for example, government bonds, corporate bonds and permanent interest bearing shares)

Advisers and investment advisers can use the wealth management service to trade the above assets on your behalf. However, trades in the above assets are executed by our nominated stockbroker:

Winterflood Securities Limited (a subsidiary of Close Brothers Group plc), providing services through its division known as, Winterflood Business Services, registered company number: 2242204

Registered Office: The Atrium Building, Cannon Bridge, 25 Dowgate Hill, London EC4R 2GA

Where we transmit your adviser's or any investment adviser's trading instruction to our nominated stockbroker, we are responsible for ensuring that the execution arrangements of that third party enable us to comply with our obligations to act in your best interests and to take all reasonable steps to obtain the best possible result for you whenever we receive and transmit orders.

We selected our nominated stockbroker because:

- it is able to provide electronic price quotes instantly for a wide range of exchange-traded assets;
- it automatically searches the London Stock Exchange for price quotes and selects the best result to return as a quote;

- its service integrates with our systems to enable straight-through online dealing; and
- having completed a due diligence exercise, we are satisfied they are a reputable partner that appropriately manages risk and helps us to provide the best possible results for our customers.

Exchange-traded assets available through our wealth management service can be traded by either:

Request for quote – your adviser must enter the details of the relevant asset on our wealth management service, which will produce an online quote. The adviser then has a small amount of time (normally 10 seconds) to decide whether to buy or sell at that price. If they proceed with the trade, the instruction is sent by electronic message to our nominated stockbroker to execute.

At best – your adviser or any appointed investment adviser(s) places a trade instruction for a specific asset which is transmitted to our nominated stockbroker. Our nominated stockbroker will execute the instruction as soon as possible, at the best available price for that size of order based on the execution venues available.

Your adviser can, where there is sufficient available cash in the relevant account, select the manner in which they trade exchange-traded assets on the wealth management service. However, if submitting an instruction to trade exchange-traded assets when the relevant exchange is closed, or in conjunction with a new payment into an account, or in conjunction with a sell transaction being used to fund it, instructions can only be submitted on an at best basis.

Oversized trades may only be available on an 'at best' basis, in which case your adviser, unless they have your authority and are able to trade on a discretionary basis, should inform you that this is the case. Your investment adviser will always trade on an 'at best' basis.

In some cases it may not be possible to execute exchange-traded asset transactions, in which case we will inform your adviser or any appointed investment adviser(s) that the trade has failed and the instruction to trade will need to be resubmitted should you want to proceed with it.

Trades that your adviser places through our nominated stockbroker are not aggregated with other customers orders. However, where you are invested in a model portfolio managed by an investment adviser, any trades they place through our nominated stockbroker are aggregated with orders placed by them and by other investment advisers for other customers. To assist the aggregation process and ensure trades for your investment adviser model portfolio will buy or sell a whole number of exchange traded assets, the investment adviser may give us instructions to buy or sell a specific value of a particular exchange traded asset, plus up to the value of one

additional unit of that exchange traded asset. We will ensure that such instructions are executed in a way that is fair to our customers.

The times at which exchange traded assets are aggregated together and placed with our nominated stockbroker are selected by the investment adviser.

If you no longer have an adviser to act on your behalf:

- you will not be permitted to purchase exchange-traded assets unless you have received an offer to acquire additional shares as part of a corporate action, such as a rights issue; and
- if you wish to sell exchange-traded assets already held in one of your accounts, you must first pass an appropriateness assessment before you can instruct us to sell assets. Having passed an appropriateness assessment, you can submit instructions to sell the relevant exchange-traded asset either in writing or verbally, and your instruction will be executed on an at best basis.

Allocation policy – mutual funds only

On any given day we may receive a number of individual instructions to trade relating to the same mutual fund. We combine all the instructions to trade we receive for the same mutual fund, on the same day, prior to our cut off point, and transmit them to the fund manager. This is known as 'aggregation'. We also aggregate trading instructions which investment advisers give us to buy and sell exchange traded assets for the model portfolios they manage.

When aggregating orders on the wealth management service, there is no possibility of a partial completion of the aggregated order; this is not allowed by Zurich's systems and controls.

Aggregation may be to your disadvantage in relation to particular trades. For example, for trades in mutual funds you could be disadvantaged if more money is flowing out of the mutual fund than into it, and the fund manager reduces the unit price of the fund to protect the remaining investors. In such circumstances, we will usually treat this reduced unit price as the relevant value for the transaction, adjusted, if necessary to take account of any associated buying and selling costs.

The instruction to trade placed on your behalf will only be subject to aggregation when placed in the same mutual fund and at the same valuation point as those of other customers.

Record keeping

We create and maintain records of all individual instructions to trade that we receive. Records are created on the day on which the instruction is received. We also record details of the instructions to trade that we transmit to fund managers and our nominated stockbroker each day.

On completion of an exchange-traded asset trade, trading confirmation is produced which details the time and date, relevant charges, stamp duty reserve tax, any other transaction taxes, price and quantity of assets traded. We will also issue a trading confirmation on completion of trades in mutual funds. However, these will not be issued for mutual fund trades related to regular payments or regular withdrawals. In addition, trading confirmations are not issued for investment adviser transactions.

Execution venues

The relevant fund manager operates as the execution venue for mutual funds. There are no viable alternatives to this venue as the only other solution would be via other wealth management services or intermediaries which would add to cost and time taken.

The order execution venue we have selected for exchange-traded assets is the London Stock Exchange (LSE), which encompasses or includes the AIM market. This venue has been selected because the markets it accesses provides a very wide variety of exchange-traded assets denominated in sterling. Our nominated stockbroker will select the appropriate venue on which to trade the relevant asset, according to type, size and nature of the trading instruction and with a view to obtaining the best possible result for you.

Monitoring and reviewing

We continually monitor the effectiveness of our policy and execution venues as well as the performance of our nominated stockbroker and fund managers. Additionally, we complete an annual review of the policy, as well as reviewing it whenever a material change occurs that could affect our ability to continue to obtain the best possible result for our customers. From time to time we may amend and make material changes to our policy. When we make a material change to this policy, we will inform you and your adviser or investment adviser and make available a revised version of the summary execution policy.

We have a specific performance monitoring arrangement with our nominated stockbroker to ensure that we always take all reasonable steps to get you the best return possible. This includes contractual service level agreements.

You should notify us immediately of any concerns you have in relation to the execution services provided to us by these third parties.

Should you have any questions about our order execution policy, please contact your adviser.

Appendix B

Zurich Portfolio – Your privacy is important to us

By accepting these terms and conditions, you will also be agreeing to your personal information being used by Zurich as described below.

This leaflet tells you why we ask you questions, what we do with the information you give us and how we protect your privacy. It also explains your rights under the Data Protection Act 1998.

Who controls my personal information?

Under the Data Protection Act 1998, we have to tell you who's responsible for deciding how your personal information is used. Your adviser and the companies whose products you buy are your data controllers.

This leaflet tells you how Sterling ISA Managers Limited, trading as Zurich, will deal with your personal information. Sterling ISA Managers Limited is your data controller as account provider and for administration purposes. Sterling ISA Managers Limited is part of the Zurich Group.

Where Zurich introduces you to a company outside the Zurich Group, that company will tell you how your data will be used.

How will you protect my privacy?

We are committed to making sure we protect your privacy. This means we will:

- collect relevant information about you fairly
- only collect information held about you that we need
- tell you why we're collecting it and how we'll be using it
- use it only for our business operations and to comply with the law
- make sure that the information we collect and hold about you is accurate
- hold it only for so long as is necessary
- keep it secure
- make sure the companies we work with will also keep your information secure
- not send it abroad without ensuring its security
- make sure that you can exercise your rights under the Data Protection Act.

How do you use my information?

We or any third parties we appoint use your information in several ways but to summarise these are:

- to help us maintain appropriate products and services
- to send your information, (including health details) to carefully selected third parties who may carry out work on our behalf. This includes Capita Life and Pension Regulated Services Limited and FNZ (UK) Ltd. Some of these suppliers may include companies outside the European Economic Area
- to deal with administration and claims
- to contact you with details of changes to products you have bought
- for business analysis, research and testing to ensure the integrity of our systems
- to comply with the law or our regulator's requirements, this may include sharing your information with the regulator
- to identify you when you contact us.

In some cases, we may ask you to provide details of your health, for example, in the event that you request to take pension benefits early due to ill health.

We may also need to ask you for more information about your physical or mental health in order to satisfy ourselves that you are entitled to benefits and obtain other information needed to pay your benefits. Details of this will be outlined at the time of your claim.

Who shares my information?

The information you give us will be added to any other details the Zurich Group holds about you where it is relevant and appropriate. If you take out products with more than one company in the Zurich Group they may share your details with each other to:

- set up and operate your accounts correctly
- administer claims
- make sure we give you a high level of service
- understand your needs and preferences
- design new products and services which we think will appeal to you and people like you.

We may share some of your personal information with certain third parties outside the Zurich Group where necessary to carry out functions under the terms and conditions of your accounts, or where required by law. This may include suppliers we engage to supply investment transaction services and the management of client's investments.

If you are considering transferring benefits between pension schemes, we may have to pass information to and from pension trustees, scheme or third party administrators or insurers of any existing pension plans you may hold, to comply with governing legislation and HM Revenue and Customs' procedures.

Preventing fraud

To help us prevent fraud and money laundering, your details may be passed to other companies, public bodies including the police, or to an insurers' database. Insurance companies can search databases for any relevant information about you which has been put on the database by other insurers. On rare occasions we may share information about you directly with other insurance companies outside the Zurich Group. You can ask for more information about the databases that Zurich accesses or contributes to.

Keeping in touch

We may ask tracing agencies to help find you if you do not tell us when you move. If we can't contact you, we may pass sufficient personal information to the Unclaimed Asset Register to help you trace your accounts if you subsequently search the register. We may also use a credit reference agency. If we do this our search won't affect you getting credit.

What are my data protection rights?

You have certain rights under the Data Protection Act 1998 including:

- the right to request a copy of the information we hold about you. There is a charge of £10 for this
- having personal information that is wrong, put right, upon your request
- preventing processing where it may cause damage or distress
- objecting to automatic processing
- claiming compensation for damage and distress caused by our failure to comply with the terms of the Act.

How to contact us

If you want more information about how we use your personal information, have any data protection questions or complaints, or wish to exercise any of your rights set out above, please contact:

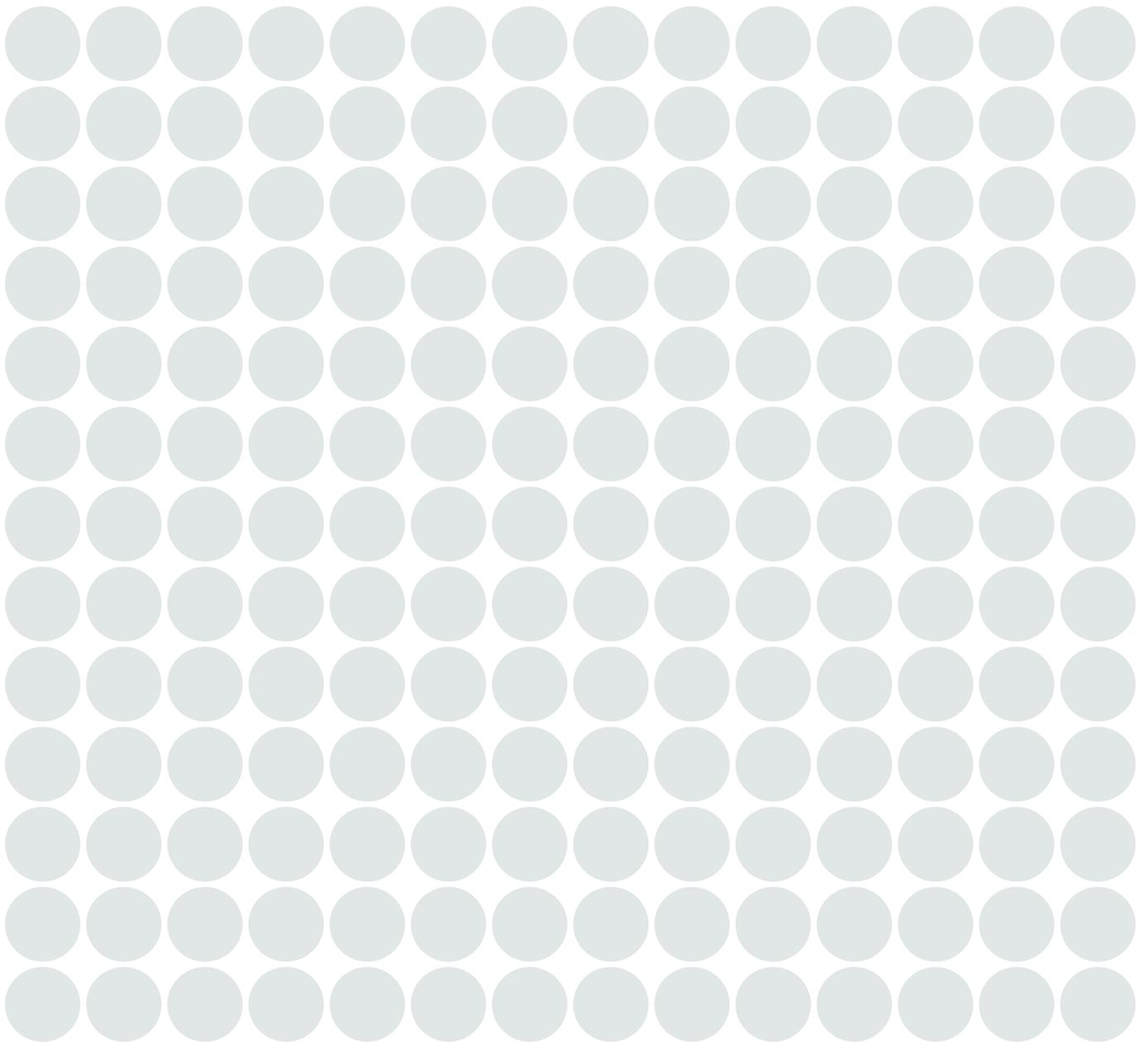
The Data Protection Manager
Tricentre One
New Bridge Square
Swindon
SN1 1HN

Information Commissioner's office

The office of the Information Commissioner is the government appointed office with responsibility for data protection. They can assist with any complaints or questions you may have. They can be contacted on **01625 545745** or online at **ico.gov.uk**

Please let us know if you would like a copy of this
in large print or braille, or on audiotape or CD.

Key features of Zurich Accidental Death Cover



Helping you decide

This **important document** gives you a summary of Zurich Accidental Death Cover. Please read this and keep it for future reference.

The Financial Conduct Authority is the independent financial services regulator. It requires us, Zurich Assurance Ltd, to give you this important information to help you decide whether our Zurich Accidental Death Cover is right for you. You should read this document carefully so that you understand what you are receiving, and then keep it safe for future reference.

Contents

Its aims	3
Your commitment	3
Risk factors	3
Questions and answers	
Setting up your plan	
Who can the plan cover?.....	4
What is the plan cover?.....	4
When does the plan start and how long will it last?.....	4
What are the plan costs?.....	4
After it starts	
When and how much does the plan pay out?	5
When will the plan not pay out?.....	5
Cancelling your plan or making a claim	
Can I change my mind and cancel?	5
How can I make a claim?	5
What about tax?	6
Other information	7
How to contact us	8

Zurich Accidental Death Cover

Zurich Accidental Death Cover (the plan) is a life assurance plan. It is designed to pay the plan cover if you die, or if the plan is in joint names the first person dies, as the result of an accident within 1 year from the start of your Zurich Portfolio.

Its aims

What this plan is designed to do

- To pay the plan cover if you die within 1 year from the start of your Zurich Portfolio, as the result of an accident.
- To highlight the importance of financial protection.

Risk factors

What you need to be aware of

- We will not pay a claim in the circumstances described in 'When will the plan not pay out?' on page 5.

Your commitment

What we ask you to do

- Review your plan cover with your adviser.
- Be aware of the limitations of the cover, it's for a limited amount and a short term and is unlikely to meet all of your financial protection needs.

Other documents you should read

Zurich Accidental Death Cover Terms and conditions

This sets out the terms and conditions that apply to your plan.

Questions and answers

Setting up your plan

Who can the plan cover?

You will be covered under the plan if you open a Zurich Portfolio with Sterling ISA Managers Limited.

The plan can cover one person or two people jointly. If the plan is in joint names, we'll pay out if the first person dies as the result of an accident within 1 year from the start date of your Zurich Portfolio.

You must be at least 18 when the plan starts. If the plan is in joint names, you must both be at least 18 when the plan starts.

You must be resident in the UK for tax purposes for the last six months prior to the plan starting.

You will not be eligible for a plan if:

- the Zurich Portfolio is held by the trustees of a trust.
- the Zurich Portfolio is held in the name of Zurich Life Assurance plc, to hold the Zurich International Portfolio Bond.
- you are a US national or a US tax payer. If the plan is in joint names this applies to each plan holder.

What is the plan cover?

The plan pays out if you die as the result of an accident within 1 year from the start date of your Zurich Portfolio.

Plan cover

Plan cover is 10% of the value of your Zurich Portfolio on the date of notification of your death, up to a maximum of £25,000.

Please see the [Zurich Accidental Death Cover terms and conditions for full details.](#)

When does the plan start and how long will it last?

The plan, and your plan cover, will start from the same date as your Zurich Portfolio. This is the date a fully completed Zurich Portfolio application is submitted online by your adviser.

The plan lasts for 1 year but will end earlier if:

- we pay the plan cover, or
- you cancel the plan, or
- you fully cash in your Zurich Portfolio.

You will not be able to restart your plan once it ends.

What are the plan costs?

The plan has no cost to you, as it will be paid for by Sterling ISA Managers Limited.

After it starts

When and how much does the plan pay out?

We will pay the plan cover if you die within 1 year from the start date of your Zurich Portfolio, as the result of an accident. If the plan is in joint names, the plan will pay out on the first death of a plan holder.

Plan cover

Example 1:

Value of your Zurich Portfolio when we receive notification of death = £50,000

Plan cover = £5,000

Example 2:

Value of your Zurich Portfolio when we receive notification of your death = £300,000

Plan cover = £25,000

Please see the [Zurich Accidental Death Cover terms and conditions for full details.](#)

When will the plan not pay out?

We will not pay a cash sum, and will cancel all plan cover, if:

- your representative doesn't give us all the information we ask for when they make a claim, or
- your death is not the result of an accident, or
- your plan has ended before you die.

Please see the [Zurich Accidental Death Cover terms and conditions for full details.](#)

Cancelling your plan or making a claim

Can I change my mind and cancel?

Yes you can. You can cancel your plan at any time by writing to us as detailed in the 'How to contact us' section on the back page of this key features document. If you cancel this plan your cover will stop.

How can I make a claim?

To make a claim the person(s) dealing with your affairs should inform the Zurich Portfolio Team. We will process the claim as quickly as possible once we have received all the information we need.

Please see [How to contact us for full details.](#)

What about tax?

You won't have to pay income tax or capital gains tax on any cash sum the plan pays out.

As the plan is not written in trust, the cash sum will form part of your estate and may be liable to inheritance tax. Please talk to your adviser about how this affects you and what arrangements you could make.

We've based this information on our understanding of current UK law and HM Revenue & Customs practice. Future changes in law and tax practice or in individual circumstances could affect taxation.

Other information

How to complain

If you need to complain, please see the **'How to contact us'** section on page 8.

You can ask us for details of our complaints handling process. If you're not satisfied with our response to your complaint you can complain to:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 023 4567 or 0300 123 9123.

Email: complaint.info@financial-ombudsman.org.uk

This service is free to you and you can find out more by contacting the Financial Ombudsman Service. You do not have to accept a decision by the Financial Ombudsman Service and you are free to go to court instead if you wish.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, you may be entitled to compensation under the FSCS. Any compensation you receive under the FSCS will be based on the FSCS's rules. For life assurance products the FSCS's first responsibility is to ensure the cover continues rather than pay compensation.

If you need more information you can contact the FSCS helpline on 0800 678 100 or 020 7741 4100, write to the address below or visit the website www.fscs.org.uk

Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London
EC3A 7QU

Your adviser will recommend products that are suitable for your needs. You have a legal right to compensation if an authority decides that a recommendation was unsuitable when it was made.

Terms and conditions

This Key features document gives a summary of the Zurich Accidental Death Cover.

You should read the Zurich Accidental Death Cover Terms and conditions for full details. You should have been given a copy of these terms and conditions with this document. If not please contact us direct.

We'll let you know if there are any changes to the terms and conditions. For details of the changes we can make, see the 'Changes we can make to the plan' section of the terms and conditions.

Law

The Plan is governed by the law of England.

Our regulator

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are entered on the FCA register under number 147672. You can find this on the website www.fca.org.uk. You can contact the FCA by telephone on 0800 111 6788 (freephone).

Communicating with you

Our plan documents and terms and conditions are in English and all our other communications with you will be in English.

How to contact us

To contact us you can email, phone or write.

 **Email:** zurichportfolioteam@uk.zurich.com

 **Phone:** 0345 607 2013 (Monday to Friday 8am until 6.30pm, Saturdays from 9.30am to 12.30pm, except on public holidays)

We may record or monitor calls to improve our service.

 **Write to:** Zurich Portfolio Team
PO Box 1200
Bishops Cleeve
Cheltenham
GL50 9UP
UK

Keep in touch

It's important we keep in touch so, if you change your address, or any of your contact details, please tell your adviser.

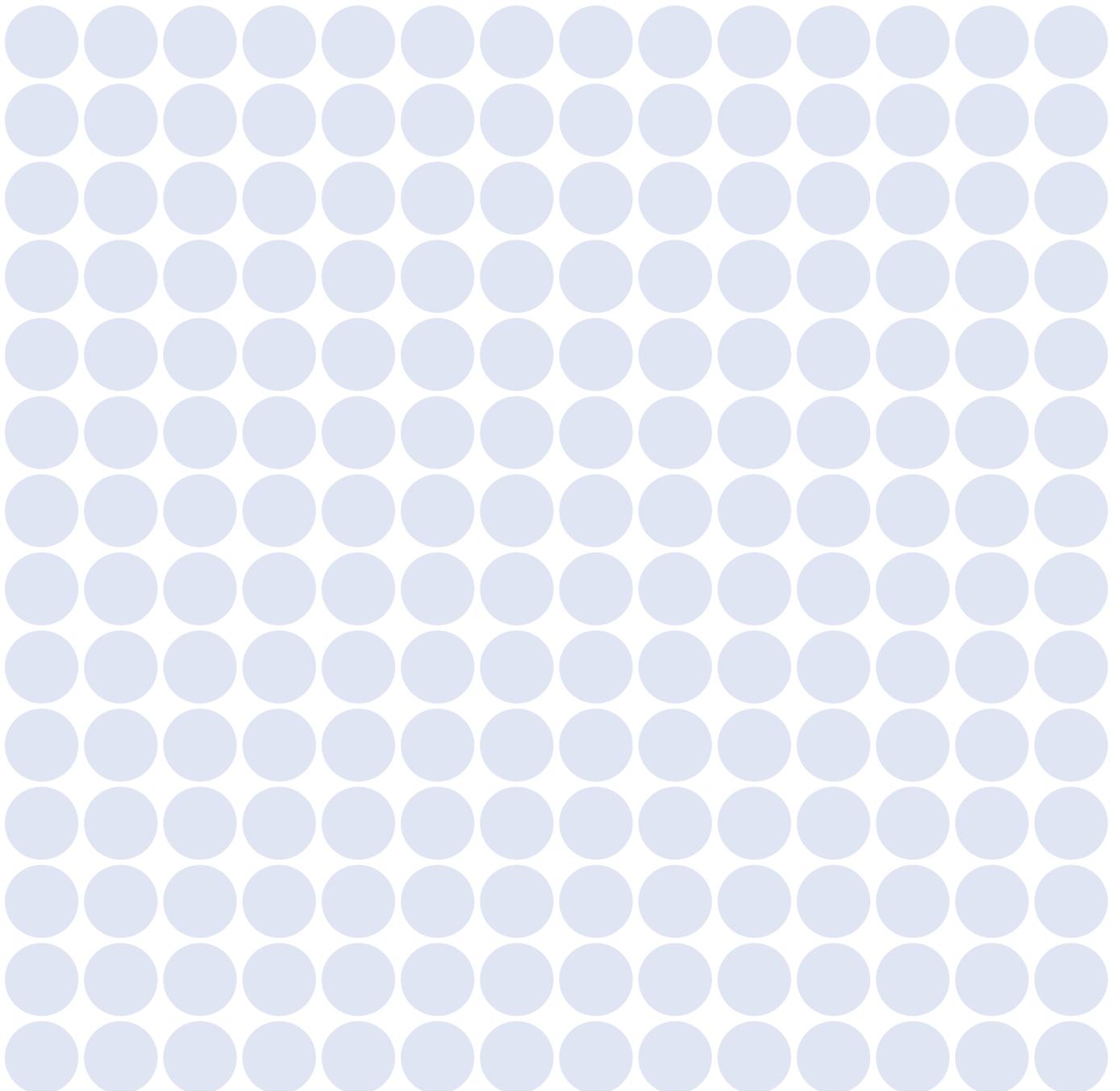
We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

If you are a textphone user, we can answer any questions you have through a Typetalk operator. Please call us on **18001 0345 607 2013**. Or, if you prefer, we can introduce you to a sign language interpreter.

Please let us know if you would like a copy of this in large print or braille, or on audiotape or CD.

Zurich Accidental Death Cover

Terms and conditions



Contents

Terms and conditions

Introduction.....	3
Roles and responsibilities	4
Zurich’s roles and responsibilities	4
Your roles and responsibilities.....	4
Your adviser’s roles and responsibilities.....	4
1. Who can have the plan?	5
2. The aim of the plan	5
3. When does the plan start and how long does it last?	5
4. Plan cover	5
5. Costs	5
6. Making a claim	5
7. How we pay the plan cover	6
8. Changes we can make to the plan.....	6
9. Other terms	7
10. Law	7
11. Other Information.....	7

Appendix A

Data protection – your privacy is important to us.....	9
--	---

Terms and conditions

Introduction

This document sets out the terms and conditions of Zurich Accidental Death Cover (the plan).

These terms and conditions should be read along with the Zurich Portfolio terms and conditions.

Should there be any conflict between the terms and conditions of the Zurich Portfolio and these terms and conditions, then these terms and conditions will apply so far as the plan is concerned.

We have used plain English wherever we can but avoiding technical terms is not always possible. Where we use a technical term, we explain what it means.

When we refer to 'you' or 'your' we mean the holder(s) of the plan. These terms and conditions will be binding on you. If you die within 1 year of the start date of your Zurich Portfolio, these terms and conditions will be binding on the person(s) dealing with your affairs.

When we refer to 'Zurich', 'us', 'our', or 'we', we mean Zurich Assurance Ltd.

We will act reasonably, proportionately and fairly and in line with the FCA rules or any other applicable laws if we use our discretion, make a decision, require information, evidence or use judgement under these terms and conditions.

Zurich Assurance Ltd

Zurich Assurance Ltd, part of the Zurich Group, is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are entered on the FCA register under number 147672.

The Zurich Group

Zurich Insurance Group Ltd, a company registered in Switzerland, company number 023.020.5108 and its direct and indirect subsidiary companies, including branches of such subsidiary companies.

The plan, and the benefits it provides, come from an insurance policy issued to Sterling ISA Managers Limited by us. Under the terms of that policy you, as the holder of a Zurich Portfolio, are eligible to be covered by the plan. These terms and conditions set out your rights and obligations, and those of Zurich, so far as the plan is concerned.

Sterling ISA Managers Limited

Sterling ISA Managers Limited uses the trading name 'Zurich' for the purpose of the Zurich Portfolio and the accounts available within it. Sterling ISA Managers Limited, part of the Zurich Group, is authorised and regulated by the FCA for pensions and investment business and is bound by its rules. Their FCA registration number is 191278.

If these terms and conditions conflict with the Financial Conduct Authority (FCA) rules or the Prudential Regulation Authority (PRA) rules or any other applicable laws, the FCA and/or PRA rules or the other applicable laws will prevail.

FCA

The Financial Conduct Authority or any successor regulatory authority or authorities.

FCA rules

The rules and regulations of the FCA, acting within the scope of the Financial Services and Markets Act 2000, or any successor legislation, applicable from time to time to Zurich, your plan and these terms and conditions.

PRA

The Prudential Regulation Authority or any successor regulatory authority or authorities.

PRA rules

The rules and regulations of the PRA, acting within the scope of the Financial Services and Markets Act 2000, or any successor legislation, applicable from time to time to Zurich, your plan and these terms and conditions.

Other applicable laws

Any statutes and other legislation as amended from time to time (except FCA and/or PRA rules) and any case law that applies now or in the future to Zurich, the plan, these terms and conditions and you.

Roles and responsibilities

Zurich's roles and responsibilities

Zurich Assurance Ltd is the plan provider.

We have appointed Sterling ISA Managers Limited as our agent to deal with some aspects of the administration of the plan. These include, but are not limited to:

- sending you correspondence in relation to the plan,
- providing us with information in relation to your Zurich Portfolio so we can calculate the plan cover if you die as the result of an accident.

We are responsible for any act or omission by Sterling ISA Managers Limited in respect of the plan.

We, and Sterling ISA Managers Limited (as our agent), will:

- operate your plan in line with these terms and conditions, the FCA rules and any other applicable laws,
- use due care and diligence in administering your plan,
- act reasonably, proportionately and fairly and in line with the FCA rules or any other applicable laws, if we use our discretion, make a decision, require information, evidence or use our judgement under these terms and conditions,
- not give any financial, legal, tax or similar advice relating to your plan,
- act on the valid instructions relating to this plan that we receive from your adviser who deals with your Zurich Portfolio,
- keep you informed about your plan.

Zurich Portfolio

Your Zurich Portfolio is a wealth management service that enables you to invest in a range of accounts that you take out with Sterling ISA Managers Limited through an adviser.

We classify you as a 'consumer' under the FCA rules.

Consumer

This is the FCA categorisation of customer that is applied to you and that determines the level of regulatory protection you are afforded under the FCA rules. Consumers (usually individuals) receive protection, for example, in relation to compensation or complaints.

You may have chosen to have correspondence made available to you electronically under the Zurich Portfolio terms and conditions. If so, Sterling ISA Managers Limited will send you correspondence for this plan on our behalf by the same method.

Your roles and responsibilities

You must comply with all these terms and conditions in so far as they apply to your plan.

You are responsible for the following:

- Giving us accurate and complete information when we reasonably ask for it, including all material facts. A material fact is one that a reasonable person would regard as relevant to us when we are considering whether to provide the plan to you or whether to agree to any changes to the plan.
- Letting us know if your name, address or contact details change. Please do this as soon as possible, because otherwise we may send confidential information about you and your plan to your old address.
- Keeping secret and safe any documents about this plan. You must also let us know straightaway if you know about or suspect identity theft.
- If you decide to move to another country outside of the UK, you need to tell us about any change in your residency before the change happens as this may affect your benefit entitlement. For more information, please see 'Moving abroad' in section 11.

Please keep these terms and conditions in a safe place with your key features.

Your adviser's roles and responsibilities

Your adviser will:

- provide financial advice and recommend products that are suitable for your needs,
- verify your identity.

1. Who can have the plan?

Subject to the conditions below you will be covered by the plan from the date that you start a Zurich Portfolio.

You must be at least 18 when the plan starts. If the plan is in joint names, you must both be at least 18.

You must be resident in the UK for tax purposes for the six months prior to your Zurich Portfolio starting in order to be covered by the plan. You cannot be covered by the plan if you are a US national or a US tax payer. If the plan is in joint names, this applies to each person.

You will not be eligible to be covered by the plan if the Zurich Portfolio is held by the trustees of a trust or in the name of Zurich Life Assurance plc, to hold the Zurich International Portfolio Bond.

It is your responsibility to determine whether you meet these eligibility criteria, and you should tell us if you do not so we can stop the plan's cover.

UK Resident

To be a UK resident for tax purposes, you must have been living in the UK for at least 6 months and habitually resident in the UK. This means the UK is where your economic, domestic and social interests are centred. For example, your family home is in the UK and any children you have go to school in the UK.

UK

Means the United Kingdom of England, Northern Ireland, Scotland and Wales. It does not include the Isle of Man or the Channel Islands.

2. The aim of the plan

The plan aims to pay the plan cover if you die as the result of an accident, within 1 year from the start date of your Zurich Portfolio. The plan's start date is the date a fully completed Zurich Portfolio application is submitted online by your adviser.

Plan cover

This is equal to 10% of the value of your Zurich Portfolio on the date of notification of death, up to a maximum of £25,000.

The plan doesn't have a cash-in value. This means that you will not receive any cash sum if you cancel or ask us to end the plan.

If you are not happy with your plan, you can cancel it at any time.

3. When does the plan start and how long does it last?

The plan starts, and you will be covered for benefits, from the same date as your Zurich Portfolio starts.

The plan will end on the first of the following events:

- 1 year after your Zurich Portfolio started,
- when we pay the plan cover,
- if you cancel the plan (see section 2),
- you fully cash-in your Zurich Portfolio.

You will not be able to restart your plan once it ends.

4. Plan cover

When and how we'll pay the plan cover

We'll pay any cash sum due after notification of your death, or if you are a joint owner, the death of the first of the joint owners.

When we won't pay the plan cover

We won't pay the plan cover if:

- we don't receive all the information we require when the person(s) dealing with your affairs make(s) a claim, or
- your death is not as the result of an accident, or
- your plan has ended before you die.

5. Costs

The plan has no cost to you, as it will be paid for by Sterling ISA Managers Limited.

6. Making a claim

If you die within 1 year from the start date of your Zurich Portfolio as the result of an accident, the person(s) dealing with your affairs should contact us (see 'How to contact us' in section 11).

Accidental Death

Death resulting from an accident within 28 days of sustaining the injuries. Death must be from a bodily injury that is the direct result of an accidental, external, and visible cause. Death will not be accidental if the injury:

- is purposely self-inflicted, or
- happens as a result of failure to seek or follow medical advice, or
- is directly due to war, invasion, act of foreign enemy (whether war is declared or not) or active participation in riot or civil commotion, or
- is caused while travelling in an aircraft except on a licensed commercial airline, or
- is directly due to the use of drugs, or the use of drugs is a major contributory factor to the injury, unless the drugs are prescribed by a qualified medical practitioner and are taken in accordance with that prescription, or
- is directly due to the use of alcohol, or the consumption of alcohol is a major contributory factor to the injury, or
- happens while taking part in any criminal act.

For us to pay a claim under this plan we need to receive satisfactory proof of death and sufficient detail about your Zurich Portfolio from Sterling ISA Managers Limited to ensure we can accurately calculate any cash sum due under this plan. We will therefore ask Sterling ISA Managers Limited about your Zurich Portfolio and you authorise Sterling ISA Managers Limited to provide us with this information.

7. How we pay the plan cover

If a cash sum is due, we will send a cheque to the person(s) dealing with your affairs and provide them with a breakdown of how we calculated it.

8. Changes we can make to the plan

This document sets out the plan terms and conditions. Only we can change or add to the terms and conditions.

We may alter the terms and conditions to the extent that the change is proportionate and reasonable for any of the following reasons:

- To take account of changes to, or to comply with, the law, regulations, taxation, official guidance, codes of practice, the way in which we are regulated or the amount of capital we need to hold.
- To provide for the introduction of new or improved systems, methods of operation, service or facilities.
- To take account of a recommendation, requirement or decision of any court, government body, ombudsman, regulator or similar body.
- To make these terms and conditions clearer or more favourable to you.
- To put right any mistake we may discover in future.
- To reflect changes in technology or industry practice.
- To reflect any change to our corporate structure arising from any reorganisation of our business, that does not unfavourably affect your plan but requires us to make certain changes to these terms and conditions.
- To allow for changes to levies or charges imposed by law or under the Financial Services Compensation Scheme or by the FCA (unless we are told we must not pass these onto our customers).
- If, in our reasonable opinion, we are at material risk of becoming insolvent and this may be avoided by changing these terms and conditions and the changes are in the interests of our plan holders as a whole.

Wherever possible, we will let you know at least three months before we make any material changes to these terms and conditions. Otherwise, we will let you know as soon as we reasonably can.

You and your adviser cannot alter or vary these terms and conditions.

9. Other terms

If any provision in these terms and conditions is found to be invalid by any court, the invalidity of that provision will not affect the validity of the remaining provisions of these terms and conditions, which will remain in full force and effect.

You cannot assign or transfer your rights under this plan. We may assign or transfer our rights or obligations (or both) under this plan to another member of the Zurich group provided that we notify you in writing before the assignment or transfer.

Only you (or if you die, the person(s) dealing with your affairs) or we, can enforce the terms of this plan. We exclude the rights of any others under the Contracts (Rights of Third Parties) Act 1999.

If the currency of the United Kingdom is replaced by the euro, we'll change the plan cover to euro.

If any of the details you have provided are wrong, we can change the terms of your plan to reflect the correct details.

10. Law

Our relationship with you and these terms and conditions are subject to English law and the exclusive jurisdiction of the English courts.

11. Other Information

How to Complain

If you need to complain, please see the 'How to contact us' below.

You can ask us for details of our complaint handling process. If you are not satisfied with our response to your complaint, you can complain to:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 023 4567 or 0300 123 9123

Email: complaint.info@financial-ombudsman.org.uk

This service is free to you and you can find out more at any time by contacting the Financial Ombudsman Service. You do not have to accept the decision of the Financial Ombudsman Service and you are free to go to court instead if you wish.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, you may be entitled to compensation under the FSCS. Any compensation you receive under the FSCS will be based on the FSCS's rules. For life assurance products the FSCS's first responsibility is to ensure the cover continues rather than pay compensation.

If you need more information, you can contact the FSCS helpline on 0800 678 1100 or 020 7741 4100, write to the address below or visit the website www.fscs.org.uk

Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London
EC3A 7QU

Your adviser will recommend products that are suitable for your needs. You have a legal right to compensation if an authority decides that a recommendation was unsuitable when it was made.

Data Protection

Zurich Assurance Ltd and Sterling ISA Managers Limited are your Data Controllers under the Data Protection Act 1998 and are committed to ensuring the way your personal information is collected, held, used and shared complies fully with the Act.

This is explained in more detail in Appendix A.

Moving Abroad

The plan is designed for individuals who are resident in the UK. If you move to another country outside of the UK the plan may no longer be suitable for your individual needs. UK laws or the local laws and regulations of the jurisdiction to which you move may have an impact on our ability to continue to operate your plan in line with these terms and conditions.

You must tell us of any planned change in your residency while you have your plan before the change happens.

We do not offer tax advice so, if you decide to live outside of the UK, we recommend you obtain advice on the tax consequences of changing your country of residence in relation to the plan. We will not be held liable for any adverse tax consequences that arise in respect of you or your plan as a result of such a change in residence.

Anti-money laundering and fraud

To comply with the Money Laundering Regulations 2007, your identity will be verified in accordance with the Zurich Portfolio terms and conditions.

We can refuse to pay the cash sum if we believe or suspect it

- may place us in breach of any legislation or law, or
- relates to fraud or any other criminal act.

To prevent financial crime, your details may be passed to governmental, regulatory or other bodies as required by law.

Sanctions

We will not provide you or your adviser with any services or benefits if in doing so we violate any applicable financial sanctions, laws or regulations (including UK, EU and USA (Office of Foreign Asset Control)). This could result in us having to end your entitlement under the plan.

Conflicts of Interest

We will not seek to influence Sterling ISA Managers Limited in relation to their duty to act in your best interests in providing the Zurich Portfolio.

How to contact us

To contact us you can email, phone or write.



Email: zurichportfolioteam@uk.zurich.com



Phone: 0345 607 2013

Phone lines are open from Monday to Friday 8am until 6.30pm, Saturday from 9.30am to 12.30pm, except on public holidays

We may record or monitor calls to improve our service.



Write to: Zurich Portfolio Team
PO Box 1200
Bishops Cleeve
Cheltenham
Gloucestershire
GL50 9UP
UK

We'd like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

If you are a textphone user, we can answer any questions you have through a Typetalk Operator. Call us on 18001 0345 607 2013. Or, if you'd prefer, we can introduce you to a sign-language interpreter.

Appendix A

Data protection – your privacy is important to us

By accepting these terms and conditions, you will also be agreeing to your personal information being used by Zurich as described below.

This statement tells you why we ask you questions, what we do with the information you give us and how we protect your privacy. It also explains your rights under the Data Protection Act 1998.

Who controls my personal information?

This statement tells you how Zurich Assurance Ltd and Sterling ISA Managers Limited will deal with your personal information. Zurich Assurance Ltd and Sterling ISA Managers Limited are your data controllers for the purposes of the Data Protection Act 1998.

Where Zurich introduces you to a company outside the group, that company will tell you how your data will be used.

How will you protect my privacy?

We are committed to making sure we protect your privacy.

This means we will:

- collect relevant information about you fairly,
- only collect information about you that we need,
- tell you why we're collecting it and how we'll be using it,
- use it only for our business operations and to comply with the law,
- make sure that the information we collect and hold about you is accurate,
- hold it only for so long as is necessary,
- keep it secure,
- make sure the companies we work with will also keep it secure,
- not send it abroad without ensuring its security,
- make sure that you can exercise your rights under the Data Protection Act.

How do you use my information?

We use your information in several ways but to summarise these are:

- to help us maintain appropriate products and services,
- to send your information to carefully selected third parties who may carry out work on our behalf and under our direction. This includes Capita Life and Pensions Regulatory Services Limited and FNZ (UK) Ltd. Some of these third parties may include companies outside the European Economic Area,
- to deal with administration and claims,
- to contact you with details of changes to products you have bought,
- for business analysis, research and testing to ensure the integrity of our systems,
- to comply with the law or our regulator's requirements, which may include sharing your information with the regulator,
- to identify you when you contact us.

Settling claims

If you claim, we or any third parties dealing with your claim will need to collect sufficient information to confirm that your claim is covered. The information needed will be asked for at that time.

We may need to:

- obtain any other information needed to assess your claim,
- check other products you have bought to help settle the claim.

We protect the extra information you give us in the same way as any other information you have provided.

Who shares my information?

The information you give us will be added to any other details the Zurich group holds about you. Members of the Zurich group and the companies associated with it may share your information with each other to:

- set up and administer the plan correctly,
- make sure we give you a high standard of service,

- assist with underwriting new business or administering any existing plans,
- understand your needs and preferences,
- offer you relevant products and services unless you tell us not to,
- design new products and services which we think will appeal to you and people like you.

These companies may contact you (by mail, email, telephone or other appropriate means) to tell you about carefully selected products, services or offers that they believe might interest you. The products and services may not be related to financial services.

You can ask us not to contact you in this way by telling us when you apply for a product or by writing to us at any time.

Preventing fraud

To help us prevent fraud and money laundering, your details may be passed to other companies, public bodies including the police, or to an insurers' database. Insurance companies can search databases for any relevant information about you which has been put on the database by other insurers. On rare occasions we may share information about you directly with other insurance companies outside the Zurich group. You can ask us for more information about the databases Zurich accesses or contributes to.

Keeping in touch

We may ask tracing agencies to help find you if you do not tell us when you move. You may forget to make a claim on a policy when it matures. If we can't contact you, we may pass sufficient details to the Unclaimed Asset Register to help you trace your plan if you subsequently search the register. We might also use a credit reference agency. If we do this our search won't affect you getting credit.

What are my data protection rights?

You have certain rights under the Data Protection Act 1998 including:

- the right to request a copy of the information we hold about you. There is a charge of £10 for this,
- having personal information that is wrong, put right, upon your request,
- preventing processing where it may cause damage or distress,
- objecting to automatic processing,
- claiming compensation for damage and distress caused by our failure to comply with the terms of the Act,
- objecting to the processing of your information for marketing purposes.

How to contact us

If you want more information about our security standards and how we use your personal information or have any data protection questions or complaints please contact:

The Data Protection Manager
Tricentre One
New Bridge Square
Swindon
SN1 1HN

Information Commissioner's Office

The office of the Information Commissioner is the government appointed office with responsibility for data protection. They can assist with any complaints or questions you may have. They can be contacted on 01625 545745 or 0303 123 1113, or online at ico.gov.uk

Please let us know if you would like a copy of this
in large print or braille, or on audiotape or CD.

Zurich Assurance Ltd

Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and the Prudential Regulation Authority.
Registered in England and Wales under company number 02456671.
Registered Office: The Grange, Bishops Cleeve, Cheltenham, GL52 8XX.

