

Please read this document carefully so you fully understand the implications of any financial decisions, and keep it safe for future reference. It may also help to refer to our online **glossary** for explanations of technical or unfamiliar terms.

EBS SAPPP

TERMS OF BUSINESS

embark pensions

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This document (the 'Terms') sets out the way that your Self-Administered Personal Pensions Plan ('your SAPPP') within the EBS SAPPP will be operated by EBS Pensions Limited ('EBS').

In this document 'we', 'us' and 'our' refers to EBS and the 'rules' refers to the rules, requirements or practice of HM Revenue & Customs (HMRC) or the Financial Conduct Authority (FCA) as the context requires.

By signing your application form you are agreeing to accept these Terms, including the charges set out on the separate EBS SAPPP Fee Schedule. For your own benefit and protection please therefore read these Terms carefully and contact us for further information if you do not understand any point.

The Glossary provided with these Terms explains some of the words and terms we have used. Technical information that describes some of the features in greater detail is available on request.

1. Introduction and purpose

1.1 These Terms are issued to you in order to set out the nature and scope of the services EBS provides for the operation of your SAPPP.

1.2 The EBS SAPPP ('the Scheme') is a registered pension scheme for the purposes of the Finance Act 2004. EBS acts as the Scheme Administrator and its group company, EBS Self-Administered Personal Pension Plan Trustees Limited (EBS SAPPPTL), acts as the Scheme Trustee under the Scheme's governing trust deed and rules as amended from time to time (the 'Scheme Rules'), copies of which are available on written request from EBS. EBS SAPPPTL acts as a bare trustee in relation to the Scheme. Your SAPPP is established as a sub-trust within the Scheme by way of a supplemental deed, as amended from time to time, in which you are appointed as the Member Trustee to act as a joint trustee with EBS SAPPPTL as the Scheme Trustee.

1.3 The Scheme is available to you as an individual resident in the UK and you are capable of acting as a trustee. We will carry out checks to establish proof of identity and residency before accepting your application to join the Scheme. We may decline any application at our discretion.

1.4 EBS SAPPPTL and you will hold title to assets and operate SAPPP bank accounts unless delegated to a duly appointed nominee. All monies received by the Scheme on your behalf will be applied to your SAPPP for your benefit alone.

1.5 EBS is authorised and regulated by the FCA (no. 134908). EBS SAPPPTL does not conduct any regulated activities and is not regulated by the FCA.

1.6 For the purposes of the services covered by these Terms we will classify you as a retail client in accordance with FCA rules.

2. Cancellation

2.1 After setting up your SAPPP we will send a cancellation notice to you. You will have 30 days from the date you receive the notice to cancel your SIPP if you change your mind. If you decide to cancel, then we will repay any contributions we have received directly from you or your employer. Contributions received from anyone else will be returned to you.

2.2 If money resulting from a pension transfer is paid into your SAPPP at any time, we will send a cancellation notice to you. You will have 30 days from when you receive the notice to change your mind and cancel the pension transfer. If you cancel a pension transfer, we will attempt to repay the transferring scheme. However, the transferring scheme may refuse to accept the repayment, or only accept it on different terms to those applying prior to the transfer, in which case we will require your instructions on whether to pay the amount to another registered pension scheme.

2.3 If you choose to crystallise benefits under flexi-access drawdown, we will write to you and confirm the benefits payable. You will have 30 days from receipt of this letter to inform us that you wish to cancel this transaction. If you cancel you will need to repay any pension commencement lump sum and flexi-access drawdown pension that has been paid to you in the intervening period. Any monies that are returned to your SAPPP that are then subsequently invested may incur additional charges and will be subject to market conditions at the time of purchase. If you choose to receive an uncrystallised funds pension lump sum, you will have no cancellation rights.

2.4 If you do not exercise your cancellation rights, your SAPPP will continue.

2.5 If assets have been purchased during the cancellation period, any monies invested will be subject to investment fluctuations. As a result, the value of the repayment may be higher or lower than the amount originally invested. If you decide to cancel, we may deduct charges for any services we have provided during the cancellation period.

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

3. Contributions and transfers

3.1 Contributions

3.1.1 You, your employer or anyone else can pay contributions to your SAPPP on your behalf. All contributions must be in sterling. We do not accept post-dated cheques.

3.1.2 Provided you are a UK resident, you have earnings subject to UK income tax, or both, your contributions and those paid by anyone else (other than by your employer) are paid net of basic rate tax. We will reclaim the basic rate tax and apply this to your SAPPP once received from HMRC. Any higher rate or additional rate tax relief to which you may be entitled may be reclaimed by you directly through your Tax Office or self assessment tax return. You are responsible for advising us if you are not entitled to tax relief on the whole or part of your contributions to your SAPPP and to any other registered pension schemes of which you are a member in a tax year.

3.1.3 Your contributions in a tax year, when combined with contributions from your employer and anyone else, should not exceed your annual allowance, tapered annual allowance or money purchase annual allowance (whichever is/ are relevant) for the tax year. If they do, you will be liable for a tax charge on the excess although this can be paid from your SAPPP in certain circumstances.

3.1.4 If you have made contributions in a tax year which exceed 100% of your relevant UK earnings for that tax year, we may agree to a repayment of the excess to you, provided that sufficient funds are available in your SAPPP, any amounts of tax due to be repaid to HMRC have been repaid and you have not exceeded your annual allowance, tapered annual allowance or money purchase annual allowance for that tax year. If you have taken benefits, or transferred the cash and assets of your SAPPP to another registered pension scheme you agree to be responsible to us for any tax due to HMRC as a result of the repayment.

3.1.5 The basic rate tax we reclaim on your behalf will normally be reclaimed and received from HMRC between eight to twelve weeks after the contribution has been paid. This tax reclaim is made as part of an aggregate reclaim for all relevant members of the Scheme.

3.1.6 HMRC pay the aggregate tax reclaim into an EBS SAPPPTL client account, from which the appropriate distribution is made to your designated SAPPP bank account (see later section headed 'Bank accounts'). Any interest received on this EBS SAPPPTL client account in relation to your reclaim will not be distributed with the tax reclaim to your designated SAPPP bank account unless such interest exceeds £10 at the time of the distribution.

3.1.7 Employer contributions to your SAPPP are paid gross. Employer contributions are normally allowed for tax relief against the employer's profits provided they are 'wholly and exclusively paid and/or expended for the purposes of the trade, profession or vocation' of the Employer.

3.1.8 If total gross contributions to your SAPPP in a tax year exceed either the annual allowance, or where we have been made aware that you are subject to the money purchase annual allowance, we will provide you with a 'pension savings statement' as required under the relevant HMRC rules to assist you in determining whether or not you are liable for the annual allowance charge.

3.1.9 We reserve the right to decline any contribution at our absolute discretion (for example, in circumstances where we have been unable to verify the identity of the contributor or where you are aged 75 or over unless your Financial Adviser has recommended that you contribute to your SAPPP).

3.2 Transfers in

3.2.1 You can arrange for a transfer of benefits from other pension schemes to your SAPPP by means of the transfer section of the Transfer In form. Transfer values may be received either in cash, assets or both, provided the assets are acceptable to us from time to time and are compatible with changes to legislation or HMRC rules.

3.2.2 We will not accept transfers from any public sector pension schemes.

3.2.3 We will not accept a transfer in of benefits from a defined benefit scheme or one that contains safeguarded benefits unless you receive a positive recommendation to transfer from a firm which holds permission from the FCA for the activity of advising on the conversion or transfer of pension benefits.

3.2.4 It is your responsibility alongside your Financial Adviser, if any, to ensure that a transfer of other pension benefits is in your best interests. We do not give advice, nor do we check your transfer application for suitability.

3.2.5 Your SAPPP will be liable for the following costs, charges and liabilities (where relevant) in respect of each transfer in:

i) our charges for the transfer in of each Asset; and

ii) investment manager or nominee charges on the transfer of ownership of assets (where assets themselves are transferred).

3.2.6 Each time you apply to transfer an existing pension into the Scheme you have a right to cancel the transfer.

3.2.7 You have a 14 day pre-contractual withdrawal right and a 16 day post contract cancellation right. This commences from when we receive the completed SAPPP Transfer In form. You may instruct us to waive the 16 day cancellation rights but we cannot waive the 14 day withdrawal right, as such we will request your monies 14 days after receiving the completed application form. Otherwise we will request the monies 30 days after receiving the completed application form.

3.2.8 If you have invested any funds within the 30 day cancellation period you may get back less than you originally invested. We cannot be held responsible for any loss.

3.3 Transfers out

3.3.1 You can request a transfer out of part or your entire SAPPP fund to another registered pension scheme or a Qualifying Recognised Overseas Pension Scheme (QROPS) at any time subject to completion and return of our relevant forms, applicable legislation, HMRC rules and the agreement of the receiving scheme.

3.3.2 This will be done as soon as reasonably practicable and without penalty, save that your SAPPP will be liable for the following costs, charges and liabilities:

i) our charges for the transfer out of each Asset to a UK registered pension scheme or a QROPS;

ii) other parties' investment transaction and property fees on the sale or transfer of assets; and

iii) investment manager or nominee charges on the transfer of ownership of assets (where assets themselves are transferred).

3.3.3 Where the receiving scheme is a QROPS we will be required to test the Overseas Transfer Allowance.

3.3.4 Where the receiving scheme is a QROPS and an overseas transfer charge arises we will be required to deduct and pay to HMRC the charge before the transfer occurs.

3.3.5 We reserve the right to decline or delay a transfer out until we have received confirmation from the receiving scheme that it is a registered pension scheme or a QROPS and is willing to receive the transfer payment, whether in the form of cash, assets or both or if we suspect the transfer may involve pension liberation fraud. In the case of a QROPS, we will also require written confirmation from HMRC of its QROPS status and reference.

3.3.6 We do not accept any liability for any unauthorised payment charges that might arise in the receiving scheme in respect of the transfer of any assets that were authorised whilst in your SAPPP but constitute unauthorised payments in the receiving scheme.

3.3.7 If the receiving scheme has cancellation rights and you decide to cancel the transfer during the cancellation period, we reserve the right to decline to accept the transfer back.

3.4 Bank accounts

3.4.1 All monies relating to your SAPPP are segregated from ours and banked in a specifically designated account for your SAPPP with Bank of Scotland. You and EBS SAPPPTL are the authorised signatories on this account. As Scheme Trustees, EBS SAPPPTL will operate the account as a bare trustee in accordance with the Scheme Rules to our order in our role as Scheme Administrator.

3.4.2 The designated bank account with Bank of Scotland will attract interest on credit balances at the rates published for the Bank of Scotland Pension Fund Account. Interest rates may be varied at any time. Overdrafts are not permitted.

3.4.3 Electronic payments from the designated bank account will be made by CHAPS or SWIFT which will attract charges. Payment or receipt of monies in foreign currencies may also attract charges. Payments by Faster Payment will be made through an EBS SAPPPTL client account which will not attract charges.

3.4.4 There is an annual account fee levied by Bank of Scotland for the designated bank account. Please refer to our Fee Schedule for details.

3.4.5 Cheques paid into the designated bank account take five working days to clear following receipt by Bank of Scotland.

3.4.6 If your bank account has a credit balance it will earn interest, paid free of tax, based on the amount of money in your bank account and the rate of interest determined by us. The rates of interest we pay to your bank account will be published on our website and may be different to the rate of interest the bank pays to us (which will usually be based on the aggregate of all cash held from plans of other members). We are entitled to receive and retain any such difference.

For full details of the current interest rates received by the bank; the interest paid to your bank account; and the interest retained by us, please visit **www.embarkpensions.co.uk/banking-information.**

3.4.7 Statements for the designated bank account will be sent to the addressee as shown on the governing mandate on a monthly basis, provided there has been a transaction within the month.

3.4.8 In addition to the designated bank account, accounts can also be opened with Bank of Scotland or any other bank subject to its rating and that the account is in the joint names of the trustees of your SAPPP.

4. Investments

4.1 Choice of investments

4.1.1 At all times you should bear in mind that the aim of your SIPP is to build up a fund from which you can draw retirement benefits and, in the event of your death, provide benefits for your dependants and other beneficiaries.

4.1.2 As the Member Trustee of your SIPP you are responsible for the investment of your SIPP funds. Subject to the agreement of the Scheme Administrator your SIPP can invest in a wide choice of investments, as set out in the remainder of this clause 4.

4.1.3 In addition to the powers, duties and obligations you have as a Member Trustee under the Scheme Rules, you should also bear in mind that general trust law requires a trustee to act prudently, conscientiously and honestly when making decisions in respect of your SIPP. In particular, you as a trustee should at all times act in the best interest of your SIPP in your capacity as a trustee and not in any other capacity such as an employee or shareholder.

4.1.4 EBS SAPPPTL (as Scheme Trustee) together with you (as the Member Trustee of your SAPPP) are the legal owners of the cash and assets of your SAPPP. These will be held in the joint names of the trustees, except for any stocks and shares, which are held on behalf of the joint trustees by your appointed investment manager's nominee as described in clause 4.3.1.

4.1.5 Although we do not provide advice in relation to investments, we may veto or impose certain restrictions and requirements on proposed investments you may wish to make. We will do this where we become aware that a proposed investment will, or may, not be in accordance with our policy, HMRC rules, any legislation or the Scheme rules.

Before 1 April 2024 we allowed you to invest in certain Non-Standard Investments provided they met our due diligence requirements. Holdings in these investments continue to be permitted provided we received your investment instruction before 1 April 2024. Additionally if an existing standard investment becomes non-standard (for example if it is delisted or becomes suspended) then this can continue to be held in your plan. Otherwise no further investments into Non-Standard Investments (other than certain cash deposits with fixed terms longer than 30 days) are permitted after 1 April 2024, including top ups and roll overs for existing holdings.

4.1.6 Subject to the agreement of the Scheme Administrator your SAPPP may engage in investment transactions with you or a member of your family, or a company or firm in which you (or a member of your family) have or had an interest subject to an independent professional valuation to ensure that it is a commercial transaction. However, we do not allow loans to you or any other individual (which includes partnerships) or to a company connected with you.

4.1.7 We will not be responsible for any loss in relation to any investment acquired or disposed of by your SIPP either at your request or by a duly appointed investment manager, unless such loss results from our fraud, wilful misconduct, negligence or breach of regulatory duty.

4.1.8 If any asset within your SAPPP is deemed to be taxable property by HMRC, UK legislation or both, we may dispose of any such investment on giving reasonable notice to you (where practicable in the circumstances). We accept no liability for any tax charge that is applied. See clause 19 for further details.

4.1.9 When accepting the appointment to your SAPPP, the investment manager or stockbroker will be asked to

complete documentation in which, amongst other things, they agree that they will only allow investments to be held for the SAPPP that are Standard Assets (other than commercial property).

4.1.10 Our written approval is required before you may delegate your investment powers to a third party or discretionary investment manager.

4.2 Investment in commercial property

4.2.1 Your SIPP may purchase and lease out commercial property in the UK, subject to the transaction being carried out in accordance with our requirements in our property guidance notes entitled 'Commercial Property Transactions' and 'Information for Solicitors', which are current at the time of the proposed transaction and any additional requirements we notify you of at the time. It will be your responsibility to ensure that you have the current versions of these guidance notes at the relevant time by requesting them from us.

4.2.2 You will be responsible for selecting the solicitor and professional surveyor, both of whom must be independent of you, to act for the SAPPP trustees. Their fees, including applicable VAT, Stamp Duty Land Tax and disbursements will be payable from your SAPPP.

4.2.3 For the purpose of this clause 4.2, 'property' means any interest in land, which is not residential property, and which is acceptable to EBS.

4.3 Custody of your investments

4.3.1 Where you wish your SAPPP to invest in listed stocks and shares you must select a suitably authorised investment manager or stockbroker who provides a nominee service for custody of such stocks and shares on behalf of the trustees.

4.3.2 Holdings in investment grade gold bullion must be stored with a secure third party.

4.3.3 You should ensure you understand the charges that will apply in relation to custody. The fees and charges of any custodian relating to stock custody and settlement shall be borne by your SAPPP.

4.3.4 A custodian must be appointed to hold any certificated assets that are registered in the joint names of your SIPP trustees.

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

4.3.6 You further acknowledge that should the trustees dispose of any Investment held in your SAPPP in accordance with this clause 4.3 neither ourselves nor the trustees shall be liable for any loss or cost incurred by you as a consequence of such a disposal.

4.4 Investment instructions

4.4.1 You must give instructions to us acting in our capacity as Scheme Administrator (or, where applicable, any relevant investment manager or stockbroker appointed at your request in accordance with these Terms) to direct the Scheme Trustee (as one of the trustees of your SIPP) to acquire or dispose of investments in relation to your SIPP. Instructions to any investment manager or stockbroker will be accepted in accordance with the terms of the agreement between the investment manager or stockbroker and your SAPPP trustees. Instructions to us to direct the Scheme Trustee to make payments in relation to investments from your SAPPP's designated bank account with Bank of Scotland will only be accepted if made in a prescribed form and sent to us by post, facsimile or email (subject to the conditions in clause 18) and we shall have no liability for any instructions until they are received by us. This is subject to:

i) the requirements in our property guidance notes entitled 'Commercial Property Transactions' and 'Information for Solicitors', which are current at the time of the proposed transaction; and any additional requirements we notify you of at the time of the transaction;

ii) the legislation applicable to registered pension schemes;

iii) all other relevant statutory provisions; and

iv any other provisions in these Terms.

4.4.2 We or any investment manager or stockbroker will be entitled to decline or delay an instruction to invest in accordance with your investment instructions if:

i) insufficient cleared funds are available in your SAPPP; or

ii) in our reasonable opinion the carrying out of the instruction is impossible, unlawful or impracticable; or

iii) you have given us notice to transfer your SAPPP to another registered pension scheme or QROPS in accordance with these Terms and in our reasonable opinion it is not practicable to complete the acquisition of the investment before the date on which your SAPPP must be transferred or the investment is illiquid; or

iv) in our reasonable opinion the acquisition of an investment may impose tax or other costs on us or expose us to liabilities which in each case we may not be able to meet from your SIPP; or

v) in our reasonable opinion acquiring any investments may require us to offer to purchase further shares pursuant to the City Code on Takeovers and Mergers or any other code or legislation, or any further assets; or

vi) where your personal records with us are not complete including not having provided us with your National Insurance Number.

We will tell you if we do not direct the Scheme Trustee to acquire an investment in accordance with this clause.

4.4.3 If you instruct us to direct the Scheme Trustee to do so, we (or any relevant investment manager or stockbroker) will sell or encash some or all of the investments of your SAPPP and apply the proceeds of sale or encashment, less any appropriate charge

(and the expenses of sale), to the acquisition of further investments in accordance with your instructions. Any such reinvestment is subject to these Terms. Pending reinvestment, any cash proceeds will be credited to your SAPPP bank account.

4.4.4 We or any investment manager or stockbroker will be entitled to decline or delay a disposal of an investment in accordance with your instructions if, in our reasonable opinion, the disposal of the investment is impossible, unlawful, impracticable or contrary to the terms of any agreement to which we are a party. We will tell you if we do not direct the Scheme Trustee to dispose of an investment in accordance with this clause.

4.4.5 We (or any relevant investment manager or stockbroker) will use our reasonable endeavours (including directing the Scheme Trustee to take all and any necessary steps) to execute promptly any instructions we receive from you in accordance with these Terms, but we accept no responsibility for non completion or delay where caused by third party systems failure, market closure or other exceptional circumstances beyond our reasonable control.

5. Annual summary of assets and illustration of benefits

5.1 An annual summary of the assets held in your SAPPP will be provided as the Anniversary Month of the scheme each year & within twelve months of that date. Unless you are within two years of your selected retirement date we will issue with the annual summary a statutory money purchase illustration of the inflation adjusted benefits you might receive at your selected retirement date based on various statutory assumptions. If you are in receipt of a drawdown pension, we will provide you with a re-illustration.

6. Payment of your benefits

6.1 Once you reach the normal minimum pension age (currently 55) you can opt to take benefits from your SIPP. Provided you have sufficient remaining lump sum allowance, you can normally take a quarter (25%) of the value as a tax-free lump sum. In some circumstances, a higher amount may be available. The total of all tax-free lump sums you can take from your pension plans will normally be capped at the Lump Sum Allowance, currently £268,275. If you have a protected tax-free lump sum or previously applied to HM Revenue & Customs for certain protections, you may be entitled to a higher amount.

Any benefits taken in excess of this allowance will be taxable as income at your marginal rate.

6.2 Pensions will only be paid in sterling cash.

6.3 You may at any time from the normal minimum pension age exercise your right to use your SAPPP, in whole or in part, to purchase a lifetime annuity, a flexible annuity or both from any annuity provider. We will not direct the Scheme Trustee to pay benefits or purchase an annuity in accordance with the above terms unless;

6.3.1 we have received a signed request from you or the appropriate person to make the relevant payment;

6.3.2 we have received all required documentation and information from you that we in our reasonable opinion believe is necessary;

6.3.3 we have received all charges due to us; and

6.3.4 all costs chargeable to your SAPPP and all liabilities of your SIPP have been satisfied.

6.4 In circumstances which in our absolute discretion we consider exceptional, we may defer the payment of benefits or the purchase of a lifetime annuity, a flexible annuity or both. We may do this where it is not possible to realise all or any of your SAPPP investments or it is not possible to do so on what we consider to be reasonable terms. In particular this may happen where such investment consists of commercial property. We will defer the encashment of your SAPPP until it is possible to realise the relevant investments or it is possible to do so on what we consider to be reasonable terms. We will inform you when this is the case.

6.5 Where it has not been possible to realise an investment, we may:

6.5.1 transfer the investment to you in part or full satisfaction of any payment of benefits under your SAPPP subject to satisfying HMRC requirements in this respect; or

6.5.2 require you to buy the investment from your SAPPP at fair market value or £1, whichever is the greater. You must do all things and execute all documents that we may reasonably require to give effect to our rights under this term.

6.6 Your SIPP fund will normally consist of a single 'arrangement' (or pot), containing:

6.6.1 funds not yet used to provide benefits ('uncrystallised funds'); and/or

6.6.2 funds underpinning a drawdown pension which came into payment on or after 6 April 2006 ('crystallised funds').

6.7 Your SIPP fund may also consist of separate arrangements for each of the following, which may have different anniversary dates from your capped drawdown pension (if you have one) and so require separate reviews (see clause 7):

6.7.1 funds underpinning a drawdown pension which came into payment before 6 April 2006;

6.7.2 funds received as a transfer from another registered pension scheme which are underpinning a drawdown pension which came into payment before 6 April 2006; and/or

6.7.3 funds received as a transfer from another registered pension scheme which were underpinning a drawdown pension which came into payment on or after 6 April 2006.

6.8 At age 75 or after EBS, with your agreement, will choose the anniversary date of one of your arrangements to be the anniversary for all of your arrangements.

7. Review of capped drawdown pension

7.1 A review of your maximum capped drawdown pension from each arrangement in your SAPPP is required at least every three years until the year in which you reach the age of 75 (when it is required every year). You may request a review on any anniversary of the commencement of your capped drawdown pension.

8. Charges

8.1 Charges relating to your SAPPP are set out in detail on the separate charges sheet 'EBS SAPPP Fee Schedule' provided to you and which forms part of these Terms.

8.2 In addition there may be bank charges (see clause 3.4.3 'Bank accounts' of this document), together with those relating to custody or property as referred to under the sections 'Investment in commercial property' (clause 4.2) and 'Custody of your investments' (clause 4.3 of this document).

8.3 Any annual fees will be automatically deducted from your fund. You are responsible for ensuring that at all times there are adequate funds available for the payment of the Scheme fees on the due date. By accepting these Terms you agree to have sufficient funds in your SIPP bank account to cover your annual fees.

8.4 We will deduct any applicable fees from your SIPP bank account, however we may also provide the ability for you to send payments for fees directly to us. Where you elect to pay your fees directly to us before the date on which they become due, you must do so at least ten business days prior to the due date, otherwise this amount and that which we may deduct from your SIPP bank account will be considered due and payable to us. In the event that a fee has been deducted from your SIPP bank account and you later also make a payment to us directly, both amounts will be considered fully due and payable to us at the point of receipt. We will however in either case pay any amounts to you, as applicable, within ten business days of identification.

In the event that a change in your circumstances results in a reduction to the applicable fee amount we will use all reasonable endeavours to ensure our records are updated accordingly. However, in the event that we are not explicitly notified of this change in circumstance (either by you, your Financial Adviser or another appropriate party), then the original amount will be considered fully due and payable to us at the point of receipt. We will however pay any amounts to you, as applicable, within ten business days of us being notified of your change in circumstance.

8.5 Accounts not settled by the due date will be charged simple interest at the rate of 10% per annum calculated on a daily basis. We reserve the right to vary the rate of interest so charged upon due notice being given to you. Any account not settled in accordance with our normal terms of credit will be referred to our debt collecting agents and upon such reference an administration fee of £25.00 will be added to the account. Any other costs incurred in obtaining settlement will also be added to the account.

8.6 You agree to grant to us a first fixed charge over investments held in your SAPPP as a continuing security for the payment of any charges, transaction or costs made or incurred by us under these Terms. Accordingly, we may on not less than three days' notice direct the Scheme Trustee to realise sufficient of such investments for our benefit in the event that such fees, charges and costs are not met.

9. Variation

9.1 The operation of your SAPPP may be varied from time to time for the following reasons, subject to the conditions set out below:

9.1.1 we may make a variation in order to comply with the FCA rules, a change in relevant legislation, HMRC rules or in market custom and practice (including if the tax treatment of a SAPPP is changed). If we do so we shall seek to give you not less than ten business days' written notice, but where this is not practicable we shall notify you as soon as we can thereafter;

9.1.2 we may make a variation with a view to improving or extending the service that we offer. We may also make a variation to reflect changes to our business or how it operates, to remedy manifest errors in the Terms, or to make them clearer. If we do so we shall give you not less than ten business days' written notice;

9.1.3 we may make a variation to alter our charges. We shall give you not less than one months' notice of any such variation; and

9.1.4 in the case of any other variation in these Terms or in the characteristics of our services we shall give you not less than ten business days' written notice. Where the variation is material in relation to the substance of these Terms (including a variation in our charges), and you give notice of termination in writing to us within ten business days of receiving our notice of the variation, we shall waive our transfer out administration fee which would otherwise apply for transferring your SIPP fund to another provider. The conditions for transfers out are set out in clause 3.3 of this document.

10. Termination

10.1 Subject to the cancellation provisions of this document, your SAPPP shall continue until terminated by the payment of the whole of your SAPPP fund as one of the following in accordance with the Scheme Rules:

10.1.1 a transfer to one or more other registered pension schemes or QROPS, upon you serving written notice to terminate these Terms on us at any time (with no obligation on you to give any reason for the termination) or;

10.1.2 the purchase of a lifetime annuity, a flexible annuity or both with an insurance company in your own name after we give you not less than ten business days' notice to terminate these Terms (with no obligation to give any reason for the termination);

10.1.3 through taking an uncrystallised funds pension lump sum or drawdown pension which extinguishes your SAPPP fund;

10.1.4 in the event of your death, by the application of your SAPPP fund in accordance with the Scheme Rules; or

10.1.5 in the event of the winding up or dissolution of the Scheme in accordance with the Scheme Rules, whereupon we shall seek to terminate our relationship with you according to the provisions of the Scheme Rules.

10.2 The charges we may make on a termination of these Terms are set out on the charges sheet EBS SAPPP Fee Schedule. Further details are set out in clauses 9.1.3 (Variation of a material term), 3.3.2 (Transfers out) and 11 (Death).

10.3 On termination, we will continue to direct the Scheme Trustee in relation to the operation of your SAPPP bank account in order to settle outstanding transactions, pay any charges and (subject to HMRC rules) transfer any remaining monies as instructed by you.

11. Death

11.1 On your death, we will require sight of your original death certificate. Until a beneficiary of the SAPPP has been determined, we will take no action in respect of your SAPPP other than to acknowledge the appointment of any reserve trustee to your SAPPP. Thereafter, we will work with any reserve trustee to (as appropriate) sell investments from your SAPPP to provide a pension, pay a lump sum or otherwise terminate the SAPPP in accordance with the Scheme Rules.

11.2 If the Trustees determine one or more beneficiaries of the SAPPP are entitled to receive an income from the SAPPP, the SAPPP will continue in accordance with these Terms and references to 'you' shall mean these beneficiaries. Our additional fees for this are detailed in clause 8 (Charges).

11.3 Your SAPPP will continue to incur our charges until it is closed.

11.4 We are not responsible for losses in the value of investments held within your SAPPP during the period between your death and the termination of your SAPPP.

12. Representations

12.1 You agree and represent to us both now and on each occasion that you use our services, as follows:

12.1.1 that you have all requisite power, authority and approvals to enter into and perform your obligations under these Terms;

12.1.2 you are not relying upon any statements, representations, promises or undertakings whatsoever that are not contained in these Terms;

12.1.3 that we have not advised you in relation to any transaction and that all orders and instructions are given in reliance of your own judgment;

12.1.4 your performance pursuant to these Terms and each transaction thereunder does not and will not violate, contravene, conflict with or constitute a default under any law, regulation, rule, decree, order, judgment or charge, contract, trust deed or other instrument binding on you or any of your assets; and

12.1.5 that you will supply to us in writing, and as soon as reasonably practicable, any information which we may reasonably request. You undertake that all information that you supply to us is and shall be correct to the best of your knowledge and belief, and that you will notify us promptly of any material change. It is important that the information we hold about you is accurate, complete and up-to-date at all times. We may also rely on information given to us by your Financial Adviser (if any).

12.2 You accept full responsibility for the integrity of the data we hold for your SAPPP. You agree to notify us immediately in writing if you become aware of any errors or omissions, including:

12.2.1 receipt by you of a contract note or confirmation of an instruction, order or transaction which you did not place; or

12.2.2 any inaccurate information in your SIPP balances, records or assets or money held or transaction history.

13. Data Protection

13.1 We are authorised under Data Protection Legislation to maintain, process and store your personal information. We will use this information to set up and administer your accounts and for legitimate business reasons (including, but not limited to, the provision of information to a Group Company, your Financial Adviser, Discretionary Investment Manager, contracted third parties, including Fund Managers, in the event that they reasonably request such information from us.

We may also be required to share information with other companies or organisations, governmental bodies or regulatory bodies (including those outside the EEA) if required to do so by Applicable Law so they can process it. The processing of any information by us pursuant to this Section 13 shall be conducted in compliance with Data Protection Legislation and our Data Protection Policy, a copy of which can be obtained from our website.

We will otherwise keep your personal information confidential.

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

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

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

The Group Data Protection Officer
33 Old Broad Street
London
EC2N 1HZ

Information Commissioner's office

The office of the Information Commissioner is the government appointed office with responsibility for data protection. They can assist with any complaints or questions you may have. They can be contacted on **0303 1231113** or online at **ico.org.uk**

1. We may use sources that we consider appropriate, including electronic data sources, for the purpose of verifying your identity or any other information you provide to us.
2. All telephone calls may be recorded.
3. You may opt out of any marketing communications by writing to us at our registered address.

For the purpose of this section Data Protection Legislation means the Data Protection Act 1988 as amended, the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), and any code of practice or guidance published by the UK Information Commissioners Office.

14. Advice

14.1 We do not act as investment manager for your SIPP or give investment advice or financial advice. Nothing whatsoever provided to you verbally or in writing by us should be construed as regulated advice as defined in the Financial Services and Markets Act 2000.

15. Complaints

15.1 Our aim is to provide you with excellent service at all times. However, we do understand things can sometimes go wrong. If this happens, we will do our best to resolve your concerns as quickly as possible.

15.2 If you have an issue with any aspect of our service you can raise your concerns with us, either in writing or by telephone.

Complaints Team
Embark Pensions
Provincial House, 37 New Walk, Leicester, LE1 6TU

Tel: 0344 544 0533
Email: **complaints@embarkpensions.co.uk**

15.3 Our complaints process

15.3.1 Acknowledgement We will acknowledge your complaint in writing, by letter or email, summarising our understanding of your concerns, within 5 working days. There may be times where it is easier for us to call you to make sure we fully understand all of the issues you are raising. Again, we will do this within 5 working days.

15.3.2 Investigation Your complaint will be looked after by our Group Service Recovery Team, who will conduct an independent and impartial investigation.

15.3.3 Response Once we have completed our investigation into your complaint we will issue a final response letter to you. This letter will be sent out within 8 weeks of receiving your complaint and will detail our findings and advise of any further action we may choose to take. This is the final stage of our complaints process. If, for any reason we are unable to issue our final response within 8 weeks of receiving your complaint, we will write to you and explain why. We will also let you know when you can expect our final response. At this point we will provide you with details of the appropriate Ombudsman service and explain how you can refer your to complaint to them if you wish.

15.3.4 What if you remain dissatisfied? If you are dissatisfied with our response after eight weeks and your complaint relates to the administration or management of your pension scheme you can contact:

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

Tel: 0800 023 4567
www.financial-ombudsman.org.uk

The Pension Ombudsman
10 South Colannade, Canary Wharf
E14 4PU

Tel: 0800 917 4487
www.pensions-ombudsman.org.uk

If you wish to refer your complaint to the Financial Ombudsman Service, you must do so within 6 months of the date of our final response.

16. Financial Services Compensation Scheme

16.1 Your SAPPP is covered by the Financial Services Compensation Scheme (FSCS), such that if you are an eligible complainant you may be entitled to compensation in the event of a default. Although EBS may not necessarily have rights itself under the FSCS, it may be able to take action on your behalf.

16.2 The amount of compensation available under the FSCS depends on the type of business and the circumstances of the claim. Further details are available at its website www.fscs.org.uk, or by telephone on 0800 678 1100 or 020 7741 4100.

17. Confidentiality

17.1 We undertake not to disclose at any time information coming into our possession during the continuance of your SAPPP to a third party outside our group except where expressly authorised to do so or where compelled to do so by law or regulatory authority.

18. Communications between you and us

18.1 All communications between you and us, either oral or written, shall be in the English language and shall be made either in person, by telephone or in writing. Subject to the limitations below, either party may also use email but there are some circumstances where we will only accept your written authority, bearing an original signature. These circumstances include (but are not limited to) where you instruct us to:

18.1.1 amend the personal details which we hold about you or for your SAPPP (for example, your name, address, email address or bank details); or

18.1.2 amend material information in accordance with the declaration in your SAPPP application form; or

18.1.3 forward any of your money or investments to a third party (other than in the normal course of settlement of transactions or otherwise arising under these Terms).

18.2 We strongly urge you not to use email if it contains confidential information about you or your SAPPP, or instructions to us relating to urgent or time-sensitive matters. Nevertheless if you wish to communicate with us by email, you:

18.2.1 acknowledge that email communications may not be secure and may be intercepted by third parties;

18.2.2 shall give us clear instructions which are capable of being received by us within a reasonable time to enable us to act upon them, prior to any applicable deadline;

18.2.3 should await receipt of our acknowledgement that we have received your instructions. You cannot assume that we have received any email until we have confirmed to you that we have received it by either expressly confirming receipt or by acting upon it. An automated delivery receipt does not constitute acknowledgement or receipt by the intended recipient(s); and

18.2.4 agree that it is your responsibility to advise us of your current and correct email address (including that address to which you may elect to have us send communications under these Terms).

18.3 We may cease or temporarily suspend email communications with you and begin communicating with you by post or by telephone if, in our reasonable opinion, we consider that this is prudent or necessary. For example, we may do this to ensure information security, to comply with the rules or if we receive an automatically generated message indicating that our email transmitted to you has failed to reach its intended recipient.

18.4 The inherent difficulties of communicating by email means that we cannot accept responsibility for the transmission or the reception of (or the failure to transmit or to receive) material where such transmission, reception or failure is caused by or relates to your own systems or that of a third party unconnected to us.

19. Liability and indemnity

19.1 We will exercise due care and diligence in the performance of our obligations under these Terms and nothing in them seeks to exclude or limit our liability for

19.1.1 any duty or liability under the FCA rules;

19.1.2 our negligence, fraud, fraudulent misrepresentation or wilful default;

19.1.3 death or personal injury caused by our negligence; or

19.1.4 any obligations which the law does not permit to be excluded.

19.2 Subject to clause 19.1, we shall only be liable for reasonably foreseeable losses, costs, liabilities or expenses incurred by you or your SAPPP in connection with these Terms where they result directly from our negligence, wilful default or fraud. For example, the circumstances in which we have no liability to you include (but are not limited to) those arising:

19.2.1 as a result of our actions or omissions in reliance upon an instruction given (or which we reasonably believe to have been given) by you or an appointed agent of yours;

19.2.2 as a result of actions or omissions by your Financial Adviser or any other representative appointed by you;

19.2.3 from the default of any bank or third party with whom we direct the Scheme Trustee to deposit your SAPPP assets;

19.2.4 from your decisions or omissions relating to the choice of any investments forming part of your SAPPP;

19.2.5 from any instruction which is not received by us (through no fault of our own);

19.2.6 as a result of our requirement to sell a particular investment within your SAPPP for the purposes of avoiding risks, liabilities or charges that may arise in relation to such an investment;

19.2.7 from deducting any sum from your SAPPP to cover any liability for tax, interest or charges due to HMRC; or

19.2.8 in the circumstances set out in the Scheme Rules.

19.3 You agree to be responsible to us for all losses, costs, liabilities or expenses suffered or incurred by us in exercising our lawful duties and responsibilities in relation to your SAPPP except in the case of negligence, fraud or wilful misconduct by us. This clause 19.3 shall remain in force following the termination of your SIPP for any reason.

19.4 For the purposes of this clause 19, our liability shall include that of EBS SAPPPTL.

19.5 These Terms (including any documents referred to in them), your application form and any other written agreement between you and us constitute the entire agreement between us relating to your SAPPP and supersede and extinguish any prior drafts, representations and arrangements of any nature whether in writing or oral relating to your SAPPP.

19.6 These Terms are based upon our understanding of UK legislation and HMRC rules at the time of publication, but these may change from time to time.

20. Jurisdiction

20.1 These Terms are governed by the laws of England and Wales. You agree that legal action relating to them may only be dealt with by the Courts of England and Wales.

0344 544 0566

customerservices@embarkpensions.co.uk

Provincial House, 37 New Walk, Leicester LE1 6TU

embarkpensions.co.uk

EBS Pensions Limited act as operator for the Option SIPP, Full SIPP, Liberty SIPP, EBS SIPP and EBS SAPPP. Embark Services Limited act as operator for the Hornbuckle Mitchell SIPP, Hornbuckle Mitchell Private Pension, Hornbuckle Mitchell FIPP, The Private Pension and the Freedom SIPP.

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