

Terms and Conditions

THIS IS AN IMPORTANT DOCUMENT. PLEASE READ IT AND KEEP FOR FUTURE REFERENCE.



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IMPORTANT INFORMATION – PLEASE READ AND KEEP FOR YOUR FUTURE REFERENCE.

These **Terms and Conditions** form a legally binding agreement between you and us. For your own benefit and protection you should read these **Terms and Conditions** and the Cash Fund Drawdown **Key Features** before you sign the declaration on the Application form. If there is anything you do not understand please speak to a financial adviser or contact us.

Words in italics are explained in the Glossary at the end of the document.

If you would like a copy of these **Terms and Conditions** in Braille or large print, please contact us. Our contact details are listed in section 30.

1. General

- 1.1. Your Cash Fund Drawdown Plan is a *flexi-access drawdown* plan.
- 1.2. Your *Plan* is part of the LF Personal Pension Trust (the *Trust*). The *Trust* is a Registered UK Pension Scheme under the Finance Act 2004.
- 1.3. The LF Personal Pension Trust is a non-UCITS retail scheme (NURS) and an Alternative Investment Fund under the Alternative Investment Fund Managers Directive. This means that the scheme does not comply with the requirements of the EU UCITS Directive.
- 1.4. The *Trust* is governed by the *Trust Deed and Rules*. A copy of the *Trust Deed and Rules* is available from us on request. The *Trust* is subject to the Finance Act 2004 and the regulations made under that Act.
- 1.5. The *Trust* has been established as an *authorised unit trust*. We are the manager of the *Trust* and BNY Mellon Trust & Depository (UK) Limited is the *Trustee*.
- 1.6. You become a member of the *Trust* by acquiring *units* in the *Trust*.
- 1.7. Please refer to the Prospectus at pensions.linkfundsolutions.co.uk for further details on the *Trust* including general investor information and data protection practices, the LF Cash Fund and its investment objective, the underlying fund and its investment objective, risk factors, risk management, *unit* valuations, trading processes, charges and expenses. Or alternatively you can obtain a copy by contacting us on 0345 055 0606.
- 1.8. By applying for membership of the *Plan*, you agree to be bound by the *Trust Deed and Rules*.

2. Our role

- 2.1. We administer and manage your *Plan*. Our services include:
 - 2.1.1. setting up your *Plan*;
 - 2.1.2. coordinating the transfer of your existing pension scheme(s) into your *Plan*;
 - 2.1.3. paying your tax-free cash and *cash withdrawals*;

- 2.1.4. testing your benefits against the *Lifetime Allowance* based on the information you have provided to us, and providing you with statements of the amount of your *Lifetime Allowance* you have used under your *Plan*;
- 2.1.5. providing you with annual statements showing the value of your *Plan* and your *cash withdrawals*;
- 2.1.6. calculating and paying claims for *death benefits*, where appropriate;
- 2.1.7. notifying you if you trigger the Money Purchase annual allowance for defined contribution pension plans if you take a taxable *cash withdrawal* from this *Plan*.

Further information about each of these services can be found below.

We are not able to give you financial advice. If you need advice regarding your retirement benefits or any aspect of your *Plan*, please contact a financial adviser. We recommend you review your *Plan* regularly.

3. Eligibility

- 3.1. To be eligible to open a *Plan* you must:
 - 3.1.1. be aged 55 or over (unless section 3.3 applies);
 - 3.1.2. have a minimum of £5,000 in pension savings from a *UK registered pension scheme* to invest into the *Plan* after the deduction of any tax-free cash (and paying any initial *adviser charge* if applicable);
 - 3.1.3. have received advice to take out the *Plan* from a *financial adviser* authorised by the Financial Conduct Authority (the *FCA*) if you have £50,000 or more to invest in your *Plan* (after any tax-free cash has been deducted and any initial *adviser charge* has been paid, if applicable). The £50,000 restriction applies to all funds held by you in Cash Fund Drawdown with LFS. This limit applies across all plans;
 - 3.1.4. for non-advised sales of less than £50,000 we need to be comfortable that you understand and are comfortable with the risks you are taking. If your responses to the questionnaire in the application process (see section 4) indicate a need for advice, we reserve the right to refuse your application or request that you seek advice from a *financial adviser* before proceeding;

3.1.5. intend to invest for a short period of time and wish to deplete *your Plan* rapidly;

3.1.6. have a *UK* bank account; and

3.1.7. be a *UK* resident for tax purposes.

3.2. Additional eligibility criteria apply for transfers in (see section 5 Transfers in).

3.3. There are some situations where *you* may be eligible for the *Plan* if *you* are younger than 55. These include:

3.3.1. if *HMRC* allows *you* to access *your* benefits earlier due to ill health and the definition of ill health in the *Trust Deed and Rules* is met;

3.3.2. *you* have a protected *early pension age*;

3.3.3. *you* are entitled to the *Plan* because *you* are a *beneficiary* of someone who had a drawdown plan before they died.

4. Application

4.1. Before *you* can proceed with an application, if *you* have not been recommended this *Plan* by a *financial adviser*, *you* will be required to complete a questionnaire about *your* retirement requirements and return this to *us*.

4.2. On receipt of this questionnaire we will issue *you* with tailored risk warnings which *you* will need to read and acknowledge receipt of. Please let *us* know if *you* have any questions once *you* have read the risk warnings.

4.3. If *your* responses to the questionnaire indicate a need for advice, we reserve the right to refuse *your* application or request that *you* seek advice from a *financial adviser* before proceeding.

4.4. To open a *Plan*, *you* must complete *our* Application form and send it to *us* at the address listed in section 30. If *you* are investing £50,000 or more *you* are required to complete it in conjunction with *your financial adviser* and *your financial adviser* must recommend this *Plan* as suitable for *you* and submit the application on *your* behalf.

4.5. If *your* Application form is unclear or incomplete we may request further information from *you* and we will not process *your* application until we have received the further information requested.

4.6. We will not accept *your* application until we have proof of *your* identity, age and address. *You* must provide *us* with two forms of identification in a format reasonably requested by *us*.

4.7. After the transfers in have been received and processed, we will send *you* a Welcome Pack. This will contain these **Terms and Conditions**, the **Key Features** document, and a *Plan schedule*. In the Welcome Pack we will tell *you* the start date of *your Plan*.

4.8. We may refuse to accept *your* application or other instruction at our discretion and we may not provide *you* with a reason for doing so. For example, in relation to money laundering, if we believe *you* have provided incomplete or untruthful information to *us* or if *you* do not meet the eligibility criteria in section 3.

4.9. We will only be able to set up *your Plan* after completion of the transfer from *your* existing pension scheme(s).

4.10. If for any reason we are unable to invest *your* pension fund, the money will be held in a *Client Money Account* for up to 10 *Business days*. If after this time we are still unable to invest *your* pension fund, the money will be returned to *your* previous pension provider, subject to their acceptance. No interest is payable to *you* on monies held in the *Client Money Account*. *Your* existing pension scheme is not obliged to take back the transfer payment and *you* may need to choose another *registered pension scheme* to transfer *your* pension to. Further details can be found in section 39 (Cancellation of *your Plan*).

4.11. *You* are responsible in respect of claims, losses and expenses that we may incur if *you* provide incorrect information or fail to comply with any aspect of the application.

5. Transfers in

5.1. We accept transfers of pension funds from other *registered pension schemes* of which *you* have been a member. We do not accept transfers from Qualifying Recognised Overseas Pension Schemes (QROPS).

5.2. We do not accept transfers from defined benefit pension schemes for non-advised sales. We will accept transfers from defined benefit pension schemes where a *financial adviser* has confirmed that it is in *your* best interests.

5.3. For non-advised transfers, *you* must ask *your* current pension provider whether *you* have any valuable guarantees which could be lost on transfer. We will ask *your* current provider to confirm this prior to processing *your* application.

If *your* transfer does have valuable guarantees, we will not accept *your* application unless *you* receive advice from a *financial adviser* who has recommended that this transfer is suitable for *you*.

5.4. All transfers must be allowed within the rules of the transferring pension scheme and must be carried out in line with *HMRC* requirements. We are unable to accept pension credits arising from a divorce.

5.5. Where *you* are investing in the *Plan* for the first time, the minimum initial amount transferred into the *Plan* from all other pension arrangements must not be less than £5,000 after the deduction of any tax-free cash and any *adviser charges* (if applicable). This minimum initial amount can be met using multiple transfers in.

5.6. There is no minimum amount for subsequent transfers into the *Plan*. For *Plans* which have not been recommended by a *financial adviser*, there is a maximum investment into Cash Fund Drawdown plans of £50,000 per customer. This limit applies across all plans.

5.7. Multiple transfers in are checked and, where possible processed upon receipt.

5.8. A Welcome Pack will be issued shortly after a transfer in is received. Where multiple transfers are received within 10 *Business days*, a single Welcome Pack will be issued, detailing each transfer. After 10 *Business days*, if any additional transfers are received, we will issue a new *Plan schedule* and information showing cancellation rights relating to these transfers.

6. How your Plan works

6.1. The total value of *your Plan* (after the deduction of any tax-free cash you take and any charges paid to a *financial adviser* for their advice from *your* pension fund) is used to buy units in the LF Cash Fund. Please see section 8 for further information.

6.2. We work out the value of *your Plan* based on the total number of *units* you have invested in the LF Cash Fund (see section 10 for further details).

6.3. All *units* in the *Trust* are accumulation *units* and fractions of a *unit* may be issued. Income arising on *accumulation units* is automatically reinvested within the fund and is reflected in the price of *units*. No income from these *units* is paid to *you*.

7. How your Plan is held

7.1. *You* do not own the *units*, the fund or any underlying investments held by the fund.

7.2. The *Trustee* is the legal owner of all cash and assets within the *Trust*.

7.3. *Your* rights in the *Trust*, represented by the *units* in the LF Cash Fund, are those of a *beneficial interest* under a trust. The *units* are not transferable and may be redeemed only in accordance with the provisions of the *Trust Deed* and *Rules*.

7.4. We will keep a record of the number of units allocated to *your Plan*. Certificates evidencing title to the *units* will not be issued. The *Trust* has a main register. *Units* you hold will be maintained on a sub-

register, with *units* being held on the main register in the name of Link Fund Solutions Limited.

7.5. Any monies we receive from *your* existing pension scheme which cannot immediately be invested will be held in *our* Client Money Account in accordance with the *FCA* client money rules. We will not pay interest to *you* on money held in our *Client Money Account*.

8. Investments

8.1. *You* are only able to invest *your Plan* in the LF Cash Fund. The LF Cash Fund is described in the **Guide to Investment Risk and the LF Cash Fund**.

8.2. The LF Cash Fund invests in a fund managed by a third party *UK* fund provider (*underlying fund*). Details of the *underlying fund* can be found in the fund factsheet which is available from *our* website at pensions.linkfundsolutions.co.uk.

8.3. We may replace the *underlying fund* at any time. We will give *you* reasonable notice of the replacement fund.

9. Instructions

9.1. We may require proof of *your* identity so we can check an instruction is from *you*.

9.2. We may rely on information about *you*, or instructions given to *us* by *your financial adviser* (if *you* have appointed one), for example about a *cash withdrawal* you wish to make and we will treat the instructions as if they came directly from *you*.

9.3. *You* must notify us in writing if *you* change *your financial adviser*.

9.4. We will not accept an instruction if it means we will be in breach of any law or regulatory requirement.

10. Valuing your Plan

10.1. We work out the value of *your Plan* based on the total number of *units* *your Plan* has in the LF Cash Fund using the latest known price.

10.2. The LF Cash Fund will be valued daily at 12.00 noon on each *Business day*, unless otherwise agreed with the *Trustee*. Latest *unit* prices are usually released by 9.00am the following day.

10.3. The LF Cash Fund is 'dual-priced', i.e. it has a buying (offer) and a selling (bid) price. The difference is known as the 'spread' and reflects the initial charge and any underlying dealing expenses. *Units* in dual-priced funds are normally bought at the 'offer' price and are redeemed (sold back) at the 'bid' price. There is no 'spread' or initial charge on investments into the *Plan*; hence *units* are effectively bought at the 'bid' price. The price of the *units* which *you* buy and sell will be calculated at the next valuation point after *you* have given *us* instructions. This is known as forward pricing.

10.4. If market conditions dictate, the LF Cash Fund may be specially valued (for example if a major incident occurs where the price of the *underlying fund* is not available). This is known as Fair Value Pricing.

11. Minimum Plan value

11.1. We reserve the right to close a *Plan* which is valued at less than £1,000.

11.2. We will notify you and *your financial adviser* 90 days prior to closure if we intend to close *your Plan*.

11.3. At notification of closure, you will be given the option to take the residual value as a *cash withdrawal*, transfer out, or to add funds to ensure the *Plan* value is above the minimum level.

11.4. If no response is received from you and *your financial adviser* and we are unable to contact you, we reserve the right to automatically issue a *cash withdrawal* subject to income tax.

12. Benefits

12.1. Benefits can start once *your Plan* has been set up. First of all, tax-free cash (Pension commencement lump sum) is deducted if you have requested it, and paid to you in accordance with section 13. After *your Plan* is invested in the LF Cash Fund you can then start to make *cash withdrawals* (section 14).

13. Tax-free cash (Pension commencement lump sum)

13.1. When you set up a *Plan*, you can normally choose to take up to 25% of the value of *your* pension fund in tax-free cash, although this might be more if you have a protected tax-free cash amount. You must inform us at the time you apply for *your Plan* how much tax-free cash you wish to take.

13.2. If you do not take your tax-free cash when you transfer your pension savings into *your Plan*, you cannot take it at a later date.

13.3. We will pay your tax-free cash by BACS, to the account you nominate (which must be in *your* name or jointly held by you and someone else).

13.4. Funds which are being transferred from an existing drawdown plan into *your Plan* are not eligible for tax-free cash.

14. Taxable cash withdrawals

14.1. You must inform us of the taxable *cash withdrawals* you wish to make from *your Plan*.

14.2. Each *cash withdrawal* is treated as a one-off; you must notify us each time you want to take a *cash withdrawal*. It is not possible to set up a regular payment.

14.3. The amount of cash you can *withdraw* from *your Plan* is flexible. You can take up to the full *Plan* value.

This product is specifically designed for the purpose of fund depletion over a short period of time. If you indicate that you do not wish to take out any taxable *cash withdrawals* in the future we reserve the right to refuse *your* application or contact you to discuss the closure *your Plan*.

14.4. *Your Plan* may fall in value, even if you do not take *cash withdrawals*. *Your Plan* will reduce in value if you make *cash withdrawals*. The impact of fees may also cause the value of *your Plan* to fall

15. How taxable cash withdrawals are made

15.1. *Cash withdrawals* are paid by BACS to the account you nominate (which must be in *your* name or jointly held by you and someone else). You must give us the details of the account you want *your cash withdrawals* to be paid into when you set up *your Plan* or when you first request a *cash withdrawal*.

15.2. Subject to 15.3, *your cash withdrawals* are paid on or before the 1st of the month. If the 1st of the month falls on a weekend or a Bank Holiday, *your cash withdrawal* will be paid on the previous Business day.

15.3. When you request a *cash withdrawal* for the first time, we will set up the PAYE tax process for *your cash withdrawals*. Instructions received on or before the 15th of a month will enable the payment of a *cash withdrawal* to be made on the first of the following month. Instructions received after the 15th of the month will mean the *cash withdrawal* will be made a month later. For example, if we receive a request on or before 15th January, *your cash withdrawal* will be received by you on 1st February; if we receive the request after the 15th January the *cash withdrawal* will be received by you on 1st March.

15.4. When you request a *cash withdrawal*, we will estimate the number of LF Cash Fund *units* we need to sell in order to provide you with the gross level of *cash withdrawal* you requested. We will sell *units* five Business days before the payment date of *your cash withdrawal*.

15.5. When we sell these LF Cash Fund *units* there is the potential for a small movement in the price of these *units*. This is because we buy and sell *units* at the price calculated at the next *valuation point* following receipt of *your* instruction (known as forward pricing). This may result in a slight variation in *our cash withdrawals* to you, but the majority of these *cash withdrawals* will remain the same as requested.

15.6. If there are insufficient funds within *your Plan* to provide your full *cash withdrawal*, we will withdraw all remaining funds.

15.7. If we amend *our* policy for selling your *units* (set out in this section), we will give you 60 days' notice in writing.

16. Tax on your cash withdrawals

16.1. *Cash withdrawals* are normally taxed as earned income through PAYE. The amount of tax you pay will depend on the *HMRC* tax code we have been notified of at the time *your cash withdrawal* is made.

16.2. When you first request a *cash withdrawal*, if you have a P45 which has been issued in the current tax year, you will need to supply this to us. We will use the tax code on the P45 for your first *cash withdrawal*. Alternatively if we already hold a verified tax code for you, we will use this for your *cash withdrawal*.

16.3. If you have a P45 which was issued in the previous tax year, or you do not have a P45 we are obliged to use a zero allowance month 1 tax code for your first *cash withdrawal*.

16.4. After you receive your first *cash withdrawal*, *HMRC* will normally inform us of your tax code.

16.5. As taxable *cash withdrawals* are on an ad-hoc basis, it may result in you paying more tax than you need to depending on your individual circumstances. Any excess tax deducted must be reclaimed from *HMRC* by you directly.

16.6. *HMRC* automatically review your income at the end of the tax year and issue a tax calculation to you detailing any over or underpayment of tax. Alternatively you may apply directly to *HMRC* for a claim form to apply for a refund of any overpayment during the tax year. If you have any queries about your tax code or whether you are paying tax at the correct rate, you will need to contact your local tax office.

16.7. You are responsible for ensuring that we are using the correct tax code. If you think we are using an incorrect tax code to calculate the tax due on your *cash withdrawals*, you should contact *HMRC* on 0300 200 3300.

16.8. Your beneficiaries may have to pay income tax on any income payments they receive after your death. Please see section 19 for further details.

16.9. When your *Plan* is closed, we will issue you with a P45.

16.10. If you have requested a *cash withdrawal*, we will issue you with a P60 after the end of each tax year.

16.11. Should tax become payable because you have recycled tax-free cash (any tax-free monies received from pension benefits that are then invested into a further pension) or you have provided incorrect information, you must pay any tax or penalty imposed on you by *HMRC*.

17. Annual Allowance

17.1. The amount on which individuals can obtain tax relief is dependent on their earnings, whether any pension savings have been accessed and the overall level of contributions – this is the *Annual Allowance*. If any of the following events with any pension providers occur, your *Annual Allowance* for contributions into defined contribution pension plans will reduce to the Money Purchase Annual Allowance. This reduction in *Annual Allowance* applies across all the defined contribution pension plans you belong to if:

17.1.1. You take an uncrystallised fund pension lump sum from your pension pot;

17.1.2. You take a *cash withdrawal* from your *Plan*;

17.1.3. You take an income payment from a flexi-access drawdown plan;

17.1.4. You take an income payment under a flexible annuity; or

17.1.5. You take an income payment which exceeds your maximum income allowance from an existing capped income drawdown plan.

17.2. If you trigger one of these events with a LFS pension product (including when you first take a taxable *cash withdrawal* from your *Plan*), we will notify you of your new *Annual Allowance* in writing within 31 days.

17.3. If you have not taken your first *cash withdrawal* from your *Plan*, and you have triggered any of the above events with any other pension providers, you will need to notify us of this.

17.4. You will need to notify us if you trigger any of the above events, with any other pension providers, after you have set up your *Plan*.

17.5. If you make any contributions in excess of your *Annual Allowance*, you should speak to a financial adviser about the tax implications.

18. Lifetime Allowance

18.1. If the value of your pension benefits exceeds your *Lifetime Allowance* during one of the following events, a tax charge (the *Lifetime Allowance charge*) could be applied to the excess (unless you have already applied for protection – in which case you must provide us with a copy of your protection certificate).

18.2. We will test *your* benefits against the *Lifetime Allowance* based on the information *you* have provided to *us*, and provide *you* with a statement of the amount of *your Lifetime Allowance* *you* have used under *your Plan* every time *you* take benefits under *your Plan* before the age of 75, when for example:

18.2.1. *you* take *tax-free cash*;

18.2.2. *you* buy a *lifetime annuity*;

18.2.3. *you* start *drawdown*;

18.2.4. there is a *lump sum* payment from funds in the event of *your* death if death occurs before age 75.

18.3. When *you* reach age 75, any pension which *you* have not started to take benefits from, and where the growth in drawdown funds started after 6 April 2006, is also measured against the *Lifetime Allowance*. This will be the final assessment of *your* benefits against the *Lifetime Allowance* under *your Plan*.

18.4. Benefits which are taken in excess of the *Lifetime Allowance* are subject to a charge of 55% if taken as a lump sum, or 25% if moved to an *annuity* or drawdown product and then taxed at *your* individual marginal rate when taken as income.

18.5. If *your* pension savings are close to the *Lifetime Allowance*, or if *you* are in any doubt about this or *you* have enhanced or fixed protection on *your* pension savings *you* should consult with a *financial adviser*. For a summary of our understanding of current tax rate and allowances see our Summary of Pension Scheme Taxation. However, we are not authorised to provide *you* with tax advice and *you* should ensure *you* are aware of the tax treatment of *your* plan. *You* should consult HMRC or a suitably qualified tax Professional if *you* require information or advice relating to *your* own circumstances.

19. Death

19.1. In the event of *your* death, *your* personal representative should contact *us* as soon as possible.

19.2. We will need to see an original registrar's copy of the death certificate as soon as possible, to record *your* death in *our* records and start the claims process.

19.3. When *you* apply for *your Plan* *you* will be asked to nominate a *beneficiary* to receive benefits from *your Plan* when *you* die.

19.4. *Beneficiaries* can be a dependant, nominee, successor or a charity if there are no dependants.

19.5. Under current rules, when *you* die, the value of *your Plan* will be used by the *Trustee*, in accordance with the provisions of the *Trust Deed* and *Rules*, to provide benefits to one or more *beneficiaries* *you* have nominated in such proportions as the *Trustee* thinks fit. The *Trustee* will take into account *your* wishes but is not legally bound to follow them. As the Scheme administrator, we will assist the *Trustee* in determining the recipient(s) of *your* death benefits which we will then pay in accordance with the *Trust Deed and Rules*.

19.6. If *you* die before the age of 75 the value of *your* pension benefits will be tested against the *Lifetime Allowance*. Please see section 18 for further information.

19.7. Once notified of *your* death, any instructions for the payment of *adviser charges* will be cancelled.

19.8. Before making any payment to any beneficiary, we will deduct any tax if we are required to do so by *HMRC*.

19.9. The table below sets out the options for how the value of *your Plan* may be used when you die. This reflects our understanding of current tax rules. The tax rules may have changed by the time you die.

	Benefit is paid to your beneficiaries within two years of us being notified of your death (or two years from the date we should have known of your death, if earlier)	Benefit is paid to your beneficiaries later than two years of us being notified of your death (or two years from the date we should have known of your death, if earlier)
You die before age 75	A lump sum payment to a beneficiary tax-free (subject to you having sufficient Lifetime Allowance)	From April 2016 taxable lump sum death benefits will be subject to tax at the recipient's marginal rate of income tax
	An income through a drawdown product or an annuity tax-free to a beneficiary	An income through a drawdown product or an annuity to a beneficiary, subject to tax at the beneficiary's marginal rate
You die age 75 or older	A lump sum payment to a registered charity. You can only nominate a charity if you have no dependants.	
	From April 2016 taxable lump sum death benefits will be subject to tax at the recipient's marginal rate of income tax	
	An income through a drawdown product or an annuity, subject to tax at the beneficiary's marginal rate	
	A lump sum payment to a registered charity. You can only nominate a charity if you have no dependants.	

19.10. If you have arranged *your Plan* under trust, we will pay any lump sum to the trustees of that trust. For advice on how to set up a trust, please speak to a financial adviser.

19.11. *Death benefits* paid under *your Plan* are normally free of inheritance tax. There are, however, some occasions when they do incur a charge. If you have any doubts or queries, please consult a *financial adviser* or tax adviser.

19.12. If on *your death* your *beneficiary* is under the age of 18 or unable to give us instructions about how they wish to receive their benefits (for example because they lack the mental capacity), we will take instructions from the person who has authority to deal with their affairs.

19.13. Following *your death*, where a person becomes entitled to a *beneficiary's* benefit from *your Plan*, that person may elect to establish a drawdown plan themselves. This new *beneficiary Plan* would be subject to the *Trust Deed* and *Rules* and the Terms and Conditions.

19.14. *Cash withdrawals* will not be made after the death of the *dependant*, *nominee* or *successor*. Any remaining value in the *Plan* may be available to provide benefits to their *successors* where permitted by law or under the *Trust Deed* and *Rules*.

19.15. You can change your nominated *beneficiaries* at any time. If you wish to do this, please write to notify us.

19.16. If you need advice on what will happen to *your Plan* when you die, we strongly recommend you contact a *financial adviser*.

20. Charges

20.1. Details of the charges applied to *your Plan* (except adviser charges) are:

20.1.1. The Annual Management Charge (AMC) reflects both *our* fees for managing the LF Cash Fund and the fees of the manager of the *underlying fund*. It is calculated and accrued daily. It is paid monthly in arrears as soon as practicable after the month end, out of the assets of the LF Cash Fund.

20.1.2. The AMC for the LF Cash Fund is set out in the **Guide to Investment Risk and the LF Cash Fund**.

20.1.3. Both the LF Cash Fund and the *underlying fund* which it invests in will bear other expenses; these include, but are not limited to, custody fees, trustee fees, registration fees, audit fees and FCA fees. These charges are taken from the assets of the LF Cash Fund and the *underlying fund*. Together with the AMC, the total charges (excluding dealing charges) are expressed as the *Total Expense Ratio (TER)*.

20.1.4. The TER for the LF Cash Fund is set out in the **Guide to Investment Risk and the LF Cash Fund**.

20.1.5. Exit fee – none.

20.1.6. Initial fund charge – none.

20.1.7. Set-up fee – a £200 non-refundable fee is charged to set-up *your Plan* to receive the first transfer of pension savings from a pension or drawdown plan. VAT is not applicable on this fee. The fee is charged for the transfer of *beneficial interest* of the *units* from LFS to *you*. If *you* cancel *your Plan* during the 30 day cancellation period and we have already started to process *your* application, this fee will not be refunded.

20.1.8. Cash withdrawal fee – each *cash withdrawal* request is charged at £45 per request. VAT is not applicable on this fee. The fee is charged for the transfer of *beneficial interest* of *units* sold by *you* to generate *your cash withdrawal*.

20.1.9. Additional transfer in fee – when *you* transfer pension savings from a second or subsequent pension or drawdown plan into *your Plan*, *you* will be charged a £90 non-refundable fee. VAT is not applicable on this fee. The fee is charged for the transfer of *beneficial interest* of the *units* from LFS to *you*.

20.2. We may vary the charges for any of the following reasons:

20.2.1. to reflect, in a proportionate manner, changes in the costs relating to taxation, the law or decisions of an ombudsman or regulator; or

20.2.2. to respond, in a proportionate manner, to changes in the costs which we reasonably incur in carrying out the administration of *your Plan*.

20.3. We will notify *you* at least 60 days before the change takes effect.

20.4. Managers of the *underlying funds* may vary their charges which may result in a change to our *AMC* or *TER*.

20.5. The expenses charged to the fund may vary which may result in a change to the *TER* of the LF Cash Fund.

21. Adviser charges

21.1. *Adviser charges* are the charges (if any) *you* agree to pay your financial adviser for the advice *you* receive and/or for arranging your *Plan(s)*. If *you* and your adviser agree, adviser charges may be deducted from your *Plan*.

21.2. *You* must tell us in your application the amount of adviser charges *you* authorise us to deduct from your *Plan*.

21.3. We reserve the right to reduce or stop an adviser charge without your permission. Please note that we will not facilitate adviser charges for clients who are not UK residents. Any clients who are or become non UK residents will be responsible for settling any adviser costs directly. Any previously facilitated adviser charges will therefore cease should a client cease to be a UK resident.

21.4. We can facilitate the payment of the following types of *adviser charges*:

21.4.1. *Initial adviser charge* – this is paid to *your financial adviser* in relation to your initial transfer to the *Plan*. *You* must tell us the specific monetary amount, or the percentage of *your Plan*, which *you* have agreed to pay as the *initial adviser charge*. We will deduct this charge and pay it to *your financial adviser* before the remaining transfer value is invested into the LF Cash Fund.

21.4.2. *Annual adviser charge* – this is a fee *you* agree with *your adviser* for ongoing services in relation to *your Plan*, for example an annual review of *your Plan*. *You* must tell us the specific monetary amount, or the percentage of *your Plan*, which *you* have agreed to pay as the *annual adviser charge*. The *annual adviser charge* is paid each year on the anniversary of *your Plan* start date.

21.5. When *your annual adviser charge* is due, we will estimate the number of LF Cash Fund *units* we need to sell in order to pay the *annual adviser charge*. We will sell *units* on the anniversary date that the *annual adviser charge* is due. Unless *you* notify us otherwise, *annual adviser charges* will continue to be deducted from *your Plan*.

21.6. *Adviser charges* are agreed between *you* and *your financial adviser*. We will not enter into any dispute between *you* and *your financial adviser* in relation to fee arrangements.

If there are insufficient monies within the LF Cash Fund to pay *your annual adviser charges*, we will not pay these until such time as there are sufficient monies within *your Plan*. We will contact *you* in writing to inform *you* if this occurs.

21.7. If we are unable to pay *your financial adviser* any *adviser charges*, *you* must settle these directly with *your financial adviser*.

21.8. We may decide to stop facilitating the payment of *adviser charges* from *your Plan*. If we do this we will notify *you* in advance.

21.9. If *you* wish to change or cancel the adviser charges that are deducted from *your Plan* *you* must notify us in writing at least five *Business days* before the date the *adviser charges* are due to be paid to *your financial adviser*. *You* must advise us in writing to do this or use the adviser instruction form. This form can be obtained from us on request or is available on our website at pensions.linkfundsolutions.co.uk.

21.10. If *you* change or cancel the *adviser charges* that are deducted from *your Plan*, *you* will have to pay any outstanding *adviser charges* owed to *your financial adviser* directly.

21.11. You cannot cancel any adviser charges once they have been deducted from your Plan.

22. Transfers out

22.1. You can transfer all or part of your funds out of the Plan. If a part transfer is required, you will need to retain a minimum of £1,000 in your Plan to keep it open.

22.2. We will notify you at the point of transfer if your Plan value is below the minimum value and give you 90 days' notice of closure. We will give you the option of transferring the remaining funds, taking the value as a cash withdrawal or adding additional funds to your Plan (see section 11 Minimum Plan value).

23. Reporting to you

23.1. We will make available for you a payslip for each cash withdrawal (showing the gross income and any tax deducted). We will make available for you a P60 after the end of each tax year if you have made a cash withdrawal.

23.2. We will send you an annual statement showing you the value of your Plan and your cash withdrawals.

23.3. You can obtain an up-to-date valuation of your Plan or a summary of the cash withdrawals you have made by contacting us on 0345 055 0606.

24. Closing your Plan

24.1. At any time, you can close your Plan by instructing us to transfer the value of your Plan (less any outstanding charges) to another drawdown provider, purchase an annuity, or alternatively by making a closing cash withdrawal (less any outstanding charges). You should seek financial advice before deciding whether or when to do this.

24.2. If you wish to transfer and close your Plan, please contact us and we will let you know what information we require in order to arrange this (for example details of the new provider).

24.3. Except as set out in this section 24 and section 19 (Death) or as otherwise permitted by legislation, your Plan and the benefits you have under it are not capable of being transferred or surrendered.

24.4. Once we have accepted an instruction to close your Plan, we will not be able to accept further instructions in relation to your Plan.

24.5. We may close your Plan if we cease to act as manager of the Trust for any reason. We will give you at least 60 days' notice, or longer if it is reasonable to do so, to enable a transfer of your Plan to another drawdown provider.

25. Our liability

25.1. We will exercise due care and diligence in the management and administration of your Plan. We will not be liable to you for any costs, losses or expenses arising from our acts or omissions unless they arise as a result of our negligence, wilful default, fraud or breach of these Terms and Conditions or the FCA Rules.

25.2. We shall not have any responsibility for any loss or damage you incur or suffer as a result of any event or circumstance not reasonably within our control, including:

25.2.1. failure, interruption or delay in the performance of our obligations resulting from the failure of any telecommunications or computer services;

25.2.2. industrial disputes;

25.2.3. failure of third parties to carry out their obligations;

25.2.4. acts of governmental or regulatory bodies;

25.2.5. terrorist acts.

25.3. Nothing in these Terms and Conditions will exclude or restrict any duty or liability we have to you under the FCA Rules.

25.4. Nothing in these Terms and Conditions will oblige us to do anything that would cause us to be in breach of any law or regulatory requirements.

26. Use of third parties

26.1. We may delegate or sub-contract any of our functions or responsibilities to a third party or agent. We use third parties, for example, to provide securities and pricing services.

27. Client categorisation

27.1. You have been classified as a retail client. This means that you will benefit from the highest level of regulatory protection available for complaints and compensation, and will receive information in a straightforward way.

28. Notices

28.1. You must provide us with the information we reasonably require to carry out our obligations under these Terms and Conditions.

28.2. You must notify us if you:

28.2.1. change your name or address;

28.2.2. change your financial adviser (if applicable)

28.2.3. trigger the Money Purchase Annual Allowance with another provider.

28.3. We will send all correspondence to the address that *you* last notified to *us*.

29. Amendments

29.1. We may change these **Terms and Conditions** for any of the following reasons:

29.1.1. to respond to changes in general law or decisions of the Financial Ombudsman Service or the Pensions Ombudsman Service;

29.1.2. to respond proportionately to changes in general practice in the pensions and investments industry;

29.1.3. to meet regulatory requirements;

29.1.4. to reflect new industry guidance and codes of practice which raise standards of consumer protection;

29.1.5. to proportionately reflect other legitimate cost increases or reductions associated with providing *your Plan*.

29.2. If any change operates to *your* disadvantage, we will give you at least 30 days' notice of that change unless we are required to make the change sooner for regulatory reasons.

30. Contacting us

30.1. We are unable to provide financial advice. A *financial adviser* should be *your* first point of contact for advice.

30.2. If *you* have any queries regarding *your Plan*, *you* can contact *us* at:

LFS
PO Box 1043
Cheltenham
GL50 9JB

Telephone: 0345 055 0606 or
+44 1242 663 414 if phoning from abroad (Monday to
Friday 9am-5pm)

Email: PPPadmin@capita.co.uk

Website: pensions.linkfundsolutions.co.uk

30.3. We may record and monitor calls to help *us* to improve *our* services, see section 36.4. Calls to 0345 numbers cost no more than a national rate call to an 01 or 02 number. If *you* have a call package, calls to 0345 numbers may be included in your inclusive minutes.

31. Best execution

31.1. When dealing with *your* instructions to buy or sell *units* in the LF Cash Fund, we will take all reasonable steps to obtain the best result for *you*. *FCA Rules* require *us* to consider various factors in deciding how

to execute *your* order. These include price, costs, speed, likelihood of execution and settlement, size and nature of the order. The LF Cash Fund can only be bought through *us* and therefore when buying or selling *units* in the LF Cash Fund there will only be one execution venue. Similarly there will not be a range of prices as the *units* can only be bought at the unit price on the relevant day.

32. Conflicts of interest

32.1. We or one of *our* related companies may have an interest in a transaction being undertaken by *us*. If this happens or if we become aware that *our* interests conflict with *your* interests, we will take all reasonable steps to manage that conflict of interest, in whatever manner is considered appropriate in the circumstances. Further information on the way we manage conflicts of interest is available on request.

33. Complaints

33.1. If *you* are dissatisfied with any aspect of *your* relationship with *us*, we will ensure that *your* complaint is dealt with quickly and efficiently. Please contact our Service Centre on 0345 055 0606. We will endeavour to answer *your* complaint promptly or alternatively, we will investigate *your* complaint and provide *you* with a full written response.

33.2. We have a leaflet which summarises our complaints handling procedure. A copy of this can be found on our website at pensions.linkfundsolutions.co.uk or alternatively you can contact us and we will be happy to provide you with this.

33.3. If *you* are ultimately dissatisfied with the outcome of *our* investigation, and the complaint relates to the sale and marketing of *your Plan*, *you* have the right to contact:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 023 4 567 or 0300 123 9 123

Fax: 020 7964 1001

Website: www.financial-ombudsman.org.uk

Email: complaint.info@financial-ombudsman.org.uk

33.4. If *you* are ultimately dissatisfied with the outcome of *our* investigation, and the complaint relates to how the Trust is run, *you* have the right to contact:

Pensions Ombudsman Service
11 Belgrave Road
London
SW1V 1RB

Telephone: 020 7630 2200

Website: www.pensions-ombudsman.org.uk

Email: enquiries@pensions-ombudsman.org.uk

34. Compensation

34.1. We are covered by the Financial Services Compensation Scheme. *You* may be entitled to compensation from the Financial Services Compensation Scheme if *we* cannot meet *our* obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation arrangements is available from:

Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London
EC3A 7QU

Telephone: 0800 678 1100 or 020 7741 4100
Website: www.fscs.org.uk
Email: enquiries@fscs.org.uk

35. FCA registration

35.1. We are authorised and regulated by the Financial Conduct Authority (FCA) and appear on the Financial Services Register. Our registration number is 119197.

36. Personal data

36.1. We will process *your* personal details and other information in order to consider and process *your* application. If *your* application is successful, we will also use this information to provide services and manage *our* relationship with *you* and *your financial adviser* (if applicable) and as otherwise set out in this section.

36.2. *Your* information may be disclosed to other selected third party providers for the purpose of *our* service provision to *you*, and *your* information may also be held in or transferred to countries outside of the EEA. In this event the processing will only be carried out by experienced and reputable organisations, and only on terms which safeguard the security of *your* data and comply with the requirements of the GDPR.

36.3. We may share *your* personal information from *your* application form with fraud prevention agencies. If false or inaccurate information is provided and fraud identified, details of fraud will be passed to third parties to prevent fraud and money laundering.

36.4. We will record and monitor telephone calls with *you* in case we need to check we have carried out *your* instructions correctly and to help improve *our* quality of service.

37. Miscellaneous

37.1. These **Terms and Conditions** govern the relationship between *you* and *us*. No other person shall have any rights to enforce any of these **Terms and Conditions**.

37.2. We will communicate with *you* in English.

37.3. These **Terms and Conditions** are based on our understanding of current legislation and the practices of *HMRC* as at the date the **Terms and Conditions** were written.

38. Law

38.1. These Terms and Conditions shall be governed and construed in accordance with the laws of England and Wales. All parties agree to submit to the exclusive jurisdiction of the English courts.

39. Cancellation of your Plan

39.1. Once *your* application has been processed, *you* have the right to cancel *your* application within 30 days of receipt of *your* Welcome Pack.

39.2. If *you* change your mind and wish to cancel *your* Plan, *you* should write quoting *your* Plan number to:

LFS
PO Box 1043
Cheltenham
GL50 9JB

39.3. *You* do not have to state the reasons for *your* cancellation but *you* must state clearly that *you* wish to cancel *your* Plan.

39.4. If *you* decide to cancel, we will try to return the transfer payment(s) to *your* existing pension scheme(s). If, however, in the meantime the value of *your* Plan has fallen, this will be reflected in the transfer payment. Charges will reduce the value of *your* Plan. The set-up fee is non-refundable if we have already started to process *your* application. Any transfer in fees will not be refunded if we have started to process the transfer.

39.5. If any adviser charges have been paid from *your* Plan, we will not refund these to *you*. *You* should speak to *your* financial adviser about whether any refund is appropriate.

39.6. If *you* decide to cancel, any tax-free cash and any cash withdrawals which *you* have made must be returned to us within a 30 day period from date of notification of cancellation. *Your* Plan will not be cancelled until all sums are returned. *Your* existing pension scheme is not obliged to take back the transfer payment and *you* may need to choose another registered pension scheme to transfer *your* pension to.

39.7. If *you* are unable to return any tax-free cash and any cash withdrawals we will not be able to treat *your* request as a cancellation. *You* will need to choose another registered pension scheme to transfer *your* pension to.

40. Beneficiaries

40.1. If you have this Cash Fund Drawdown Plan as a result of being a *beneficiary* (i.e. if the *Plan* holder nominated you as their *beneficiary* in their Cash Fund Drawdown Plan), the terms in this section 40 apply.

40.2. You will be asked to complete an Application form in order for us to have the relevant information from you (including proof of your identity, age and address) which is required to set up the *beneficiary Plan*. We will not be able to set up your *beneficiary Plan* until we receive all the information requested by us.

40.3. You will not be permitted to transfer any existing pension schemes into your *beneficiary Plan*.

40.4. The following sections of the **Terms and Conditions** will not apply to your *beneficiary Plan*:

40.4.1. Section 2.1.2 (coordinating the transfer of your existing pension schemes to your *beneficiary Plan*);

40.4.2. Section 2.1.4 (testing your benefits against the *Lifetime Allowance*);

40.4.3. Section 3 (Eligibility) except that you must have received advice to take out the *beneficiary Plan* from a *financial adviser* if the amount you are investing is £50,000 or more, be a UK resident, and you must have a UK bank account;

40.4.4. Section 4.6 (Setting up your *Plan* after completion of transfers in);

40.4.5. Section 4.7 (Client money);

40.4.6. Section 5 (Transfers in);

40.4.7. Section 7.5 (monies received from your existing pension scheme which cannot immediately be invested);

40.4.8. Sections 12 (Benefits) and 13 (Tax-free cash), please note however, that if the *Plan* holder died before reaching age 75, and you become entitled to a *beneficiary Plan* within two years of us being notified of the *Plan* holder's death (or two years from the date we should have known of the *Plan* holder's death, if earlier), the income paid from the *beneficiary Plan* will be tax-free. If this is not the case or the *Plan* holder died on or after age 75, then the income will be subject to tax at your marginal rate (no tax-free cash is applicable);

40.4.9. Sections 17 (Annual Allowance) and 18 (Lifetime Allowance); Section 19 (Death), please note however that in the event of your death; your personal representative should contact us as soon as possible and we will need to see an original registrar's copy of the death certificate as soon as possible to record your death in our records and start the claims process;

40.4.10. Section 39 (Cancellation of your *Plan*).

40.5. The following sections of the Terms and Conditions will apply to your *beneficiary Plan* – for these purposes, substitute “beneficiary Plan” for “Plan” in these sections:

40.5.1. Section 1 (General);

40.5.2. Sections 2.1 (administering and managing your *Plan*), 2.1.1 (setting up your *Plan*), 2.1.3 (paying your cash withdrawals), 2.1.5 (provision of annual statements showing value of your *Plan* performance and your cash withdrawals), 2.1.6 (calculating and paying claims for death benefits) insofar that any death benefits payable will be to such individuals or a registered charity as set out in section 40.6 (we are unable to provide financial advice and recommend you seek this);

40.5.3. Section 4 (Application) (except sub-sections 4.6 and 4.7);

40.5.4. Section 6 (How your *Plan* works);

40.5.5. Section 7 (How your *Plan* is held);

40.5.6. Section 8 (Investments);

40.5.7. Section 9 (Instructions);

40.5.8. Section 10 (Valuing your *Plan*);

40.5.9. Section 11 (Minimum *Plan* value) with the exception that in respect of section 11.3, you will not be able to transfer out or add funds to ensure the *beneficiary Plan* value is above the minimum level;

40.5.10. Sections 14 (Taxable cash withdrawals) and 15 (How taxable cash withdrawals are made); Section 16 (Tax on your cash withdrawals), insofar that tax is payable. Please note that:

a) if the *Plan* holder died before reaching age 75, and you became entitled to a *beneficiary Plan* within two years of us being notified of the *Plan* holder's death (or two years from the date we should have known of the *Plan* holder's death, if earlier), the income paid from the *beneficiary Plan* will be tax-free;

b) if the *Plan* holder died on or after age 75 or you became entitled to a *beneficiary Plan* later than two years of us being notified of the *Plan* holder's death (or two years from the date we should have known of the *Plan* holder's death, if earlier), the income paid from the *beneficiary Plan* will be subject to tax at your marginal rate.

40.5.11. Section 20 (Charges);

40.5.12. Section 21 (Adviser charges);

40.5.13. Section 22 (Transfers out);

40.5.14. Section 23 (Reporting to you);

40.5.15. Section 24 (Closing your Plan) with the exception that in respect of section 24.1, you will only be able to make a closing cash withdrawal (less any outstanding charges);

40.5.16. The general terms contained in sections 25 to 38, and the Glossary at section 41.

In the event that you die and funds remain in the beneficiary Plan, the death benefits available will be a lump sum payment, an income through a drawdown product or an annuity, or a lump sum payment to a registered charity. These will be payable to such individuals or a registered charity as allowable under relevant legislation. Please note, a death benefit will not be payable to a registered charity if at the date of your death there are other dependants of the original Plan holder.

41. Glossary

Accumulation unit – income arising on accumulation units is automatically reinvested back into the LF Cash Fund, increasing the price of units. Income is not paid out to unit holders of accumulation units. (All units in the LF Cash Fund are accumulation units).

Ad-hoc – one-off.

Adviser charge – a fee you agree to pay your financial adviser in return for the advice that you receive in relation to *your Plan* or for arranging *your Plan*.

Annual Allowance – this is the tax relief you will get on pension contributions. The *annual allowance* applies across all of the pension *schemes* you belong to. It is not a *per scheme* limit, and includes all of the contributions that you pay or your employer or anyone else pays into your pension *schemes*.

Annual Management Charge (AMC) – the annual percentage fund management charge applicable to the LF Cash Fund, as modified from time to time in accordance with the provision of these Terms and Conditions. Please refer to the fund literature for details of the Annual Management Charges.

Annuity – a pension contract that is purchased from an insurance company using the proceeds of a pension saving arrangement. The proceeds are paid to the insurance company, who in exchange agrees to pay you a pension income for the rest of your life.

Authorised unit trust – a unit trust scheme which has been authorised by the Financial Conduct Authority. A unit trust is a trust that invests its funds in a spread of equities, fixed interest securities or money market instruments.

Beneficial interest – the right to benefits from the *Trust*. A beneficial interest is distinguished from the rights of the *Trustee* who has a responsibility to perform and title to the assets, but does not share in the benefits.

Beneficiary – the recipient of benefits on your death. This could be a dependant, nominee, successor or a charity.

Beneficiary Plan – the drawdown Plan which a beneficiary chooses to take in relation to death benefits paid on the original Plan holder's death.

Business day – a day when the London Stock Exchange is open.

Cash withdrawal – the payment requested by you and paid to you, by selling the units of *your Plan*. Payments are normally taxable i.e. tax will be deducted at source before you receive them, unless you are in receipt of a beneficiary Plan where a cash withdrawal may not be subject to income tax.

Client Money Account – a separate account where money belonging to clients is segregated from LFS's assets and protected on behalf of the clients.

Death benefits – means the benefits payable under section 19 to a beneficiary(ies) on your death.

Decumulation – the conversion of pension assets accumulated during an employee's working life into pension income to be spent during retired life.

Dependant –

your husband, wife or civil partner (or other person to whom you are legally married) at the date of your death;

any child of yours (including adopted child) who is under 23 at the date of your death;

any person who is dependent on you because of mental or physical disability;

any person who is financially dependent on you at the date of your death, and;

any person whose financial relationship with you at the date of your death is one of mutual dependence (this can include an unmarried partner of the same or opposite sex who relied on your income to maintain a standard of living that depended on your joint income).

FCA – the UK Financial Conduct Authority and any successor.

FCA Rules – the FCA's handbook of rules and guidance.

Flexi-access drawdown – allows you to take up to 25% tax-free cash from your pension fund when you first move into drawdown, and draw a variable income directly from your pension which stays invested.

Financial adviser – a professional authorised by the FCA to give financial advice to clients.

HMRC – Her Majesty's Revenue & Customs.

Income drawdown plan – allows individuals to take an income from their pension fund, whilst the remainder of the fund remains invested.

Income payments – the payments made by selling the units in a drawdown plan.

Lifetime Allowance – the total amount of pension saving by an individual within a registered pension scheme (or schemes) that receives favourable tax treatment (for the 2016-17 tax year, the Lifetime Allowance is set at £1 million).

MPAA – Money Purchase Annual Allowance – the reduced allowance available to investors who have accessed their pension savings.

Lifetime Allowance charge – this is the tax charge that applies when you take benefits from *your Plan*, or reach your 75th birthday and the value of your benefits exceeds your allowance. If the excess is used to provide a pension, whether an annuity or income payments, it will be taxed at 25%. If the excess is taken as a lump sum it will be taxed at 55%. The excess can only be taken as a lump sum prior to the age 75 where it is taxed at 55%. Where an excess arises on the final check on your 75th birthday, it will be taxed at 25%.

Nominee – any individual, other than a dependant, who is nominated by you or where there are no dependants and no individual or charity, has been nominated by you, any individual nominated by the Scheme administrator.

PAYE – Pay As You Earn. A system for collecting tax on income earned at the time of payment.

Plan – your individual Cash Fund Drawdown plan.

Plan schedule – the document that states the individual terms that apply to *your Plan*, including cash withdrawals, charges, and investments. We will send you one of these when you start *your Plan* and whenever you make a significant contribution. Further Plan schedules will be issued when additional transfers in are received.

Protected early pension age – certain individuals are permitted to start receiving benefits under a registered pension scheme before age 55. A protected early pension age applies if an individual has an unqualified right to take benefits prior to age 55, or was entitled on 6 April 2006 to an early pension age because their occupation was recognised by HMRC as one for which an early pension age was acceptable.

Registered pension scheme – a pension scheme that has either been registered by HMRC, or has acquired registered status by virtue of being an approved pension scheme on 5 April 2006, in accordance with the Finance Act 2004.

Retail client – a client who is entitled to receive the highest level of protection under the FCA Rules. This may, for example, include access to both the Financial Ombudsman Service and the Financial Services Compensation Scheme.

Scheme administrator – the administrator of the *Trust* who is recognised by HMRC as being responsible for the management of the *Trust*. We are currently the Scheme administrator.

Successor – someone who inherits any unused drawdown funds on the death of a dependant, a nominee or a successor. A successor can be anyone nominated by the previous beneficiary, or where no nomination has been made by the previous beneficiary, an individual nominated by the Scheme administrator. Where your successor is an individual who is also your dependant, the individual in the capacity of your successor is to be treated as not also being your dependant.

Terms and Conditions – the provisions set out in this document (as amended from time to time).

Total Expense Ratio (TER) – Both the LF Cash Fund and the underlying fund which it invests in will bear other expenses; these include, but are not limited to, custody fees, Trustee fees, registration fees, audit fees and FCA fees. These charges are taken from the assets of the LF Cash Fund and the underlying fund. Together with the AMC, the total charges (excluding dealing charges) are expressed as the Total Expense Ratio (TER).

Trust – the LF Personal Pension Trust, which is a registered pension scheme.

Trust Deed and Rules – the documents governing the Trust (as amended from time to time).

Trustee – an individual or company appointed to carry out the responsibilities of a Trustee in accordance with the Trust's governing documents and general principles of trust law. The Trustee of the Trust is BNY Mellon Trust & Depositary (UK) Limited.

Uncrystallised fund pension lump sum (UFPLS) – an authorised lump sum, which can be paid on or after 6 April 2016 from uncrystallised funds under defined contribution arrangement to certain individuals aged 55 or over, without the requirement to buy a decumulation product.

Underlying fund – a fund that the LF Cash Fund invests in, managed by a third party UK fund provider.

UK – the United Kingdom of Great Britain and Northern Ireland but not including the Channel Islands or the Isle of Man.

Unit – a unit in a sub-fund of the Trust. Each unit is valued on a daily basis, and represents the rights or interests that a unitholder has in that sub-fund.

Valuation point – the LF Cash Fund is valued at 12.00 noon on each Business day.

We, us, our – Link Fund Solutions Limited (LFS).

You, your – the person who has taken out this Plan, as named in the Plan schedule.

Link Fund Solutions Limited (LFSL) is authorised and regulated by the Financial Conduct Authority. Registered Office 6th Floor, 65 Gresham Street, London EC2V 7NQ. LFSL is a wholly owned subsidiary of Link Administration Holdings Limited. Telephone 0345 055 0606. Calls may be monitored and/or recorded to protect both you and us and help us with our training. Registered in England and Wales with registered no. 01146888

pensions.linkfundsolutions.co.uk

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