

Terms and Conditions

Contents

Definitions	1
General Information	2
Becoming an Account Holder	2
Payments into your Account	3
Investments	3
Banking	4
Charges	4
Benefits at Pension Date	5
Death benefits	6
Transfers to another scheme	6
Reporting	6
General terms	6
Appendix 1	7

This document sets out the terms and conditions (the 'Terms') for the FundsNetwork Pension, a self-invested personal pension operated by Fidelity under the Fidelity Retail Pension Scheme (the "Scheme"). These Terms govern our relationship with you and form the agreement between us.

Before applying for a FundsNetwork Pension you should also consider carefully the Key Features Document which sets out the risks and charges and which is incorporated into these Terms.

If you find it difficult to read this document, we can provide alternative formats, including large print, Braille, audiotape and CD. Please contact us to request an alternative format or if you have any queries or require further information using the contact details set out below.

Please include your Client Reference Number and Account Number(s) in all communications with us.

Call: 0800 358 4060 (call charges may vary)

Write: FundsNetwork, Oakhill House
130 Tonbridge Road
Hildenbrough
Kent TN11 9DZ

Website: www.fidelity.co.uk

Definitions

Account is an account into which payments are made or from which Benefits are paid out. You may have more than one Account.

Account Holder means a person who has applied for and been accepted as a member of the Scheme.

Account Number means the reference number allocated to each of your Accounts.

Adviser a financial intermediary appointed by you, suitably qualified and authorised for the purposes of conducting personal pensions business.

Annual Allowance is the maximum amount an individual can save into all registered pensions he/she owns in a given Pension Input Period (PIP). An individual's pension savings are the total amount of their contributions and any contributions paid by someone else, for example, an employer.

Annual Allowance Charge is the tax penalty that you'll pay on contributions to your pension plans that exceed the Annual Allowance, details of which are set out in the Key Features Document.

Benefit means:

- any pension commencement lump sum we pay you;
- any pension drawdown you may arrange in accordance with the terms set out in the 'Pension Drawdown' section on page 5;
- any annuity we buy for you in accordance with the terms set out in the 'Buying an annuity' section.

Business Day means any day except for Saturdays, Sundays, public holidays in the UK and Christmas Eve. It would also not be a Business Day where the London Stock Exchange or the major clearing banks in the City of London and Edinburgh are closed for an unexpected reason.

Cash Account is an interest bearing bank account held by the Trustee and opened with a UK financial institution. All Account Holders' cash will be consolidated and held in the Cash Account. Further details relating to the Cash Account, including any compensation entitlements under the Financial Services Compensation Scheme (FSCS), are set out in the FundsNetwork Pension Key Features Document.

Client Reference Number is the reference number given to you once you become an Account Holder in addition to your Account Number. If you are already a client of Fidelity at the time you become an Account Holder your existing Client Reference Number will continue to apply to your Account(s).

Collective Investment Fund means a fund which may be operated by a manager and which raises money from investors and invests in a group of assets, in accordance with a stated set of objectives. Unit trusts are examples of collective investment funds.

Discretionary Trust means the basis under which lump sum death benefits are paid out by us. We'll decide who should receive such a lump sum, and how much, from the list of beneficiaries described in the Rules. You can help us make this decision by telling us in writing the person you'd like to receive the payment of the lump sum death benefit. This can include the trustees of any trust that you've set up. We'll take your views into consideration but we're not obliged to follow them.

DPA means the Data Protection Act 1998 incorporating any subsequent amendments.

Drawdown Account means an Account to which a Pension Date has been applied.

Exchange Traded Products and Investment Trusts products traded on a Stock Exchange, including exchange traded funds (ETF), exchange traded commodities (ETC) and exchange traded notes (ETN).

FASL means Financial Administration Services Limited, a company within the Fidelity group of companies responsible for providing the Fidelity platform.

FCA means the Financial Conduct Authority or any successor regulator(s) which regulate(s) our business.

FCA Rules mean the Handbook of Rules and Guidance of the FCA or any successor regulator to the FCA, as amended from time to time.

Force Majeure Event is an event that couldn't be predicted or, if predicted, its consequences are too drastic to plan for in a contract. It includes but is not limited to any of the following:

- emergency or act of war or terrorism;
- requirement or restriction of or failure to act by any government, semi-governmental or judicial entity (other than a regulatory requirement or change);
- loss of supply of essential services;
- the closure or suspension of trading on any stock exchange or recognised market;
- any 'denial of service' or other targeted network attack; and
- any other cause beyond our reasonable control as a consequence of which we can no longer administer your Account(s) for a given period.

FSTL means FIL SIPP Trustee (UK) Limited, a company within the Fidelity group of companies, which is currently Trustee of the scheme.

FundsNetwork Pension means a self-invested personal pension available under the Scheme to prospective Account Holders through an intermediated channel.

Investment Trust these are closed-ended funds, structured as PLCs (Public Limited Companies) and are traded on a Stock Exchange.

Ill Health Condition means physical or mental impairment, which in the opinion of the Scheme Administrator (having reviewed appropriate medical evidence provided by the Account Holder) renders an Account Holder incapable of carrying on his occupation and unable to return to it and the Account Holder has in fact ceased to carry on his occupation.

Key Features Document is a document that sets out the main aims and features of the FundsNetwork Pension which all prospective Account Holders will receive before joining the Scheme.

Lifetime Allowance is the total retirement benefits that you can accumulate from all your pension plans without a tax penalty, details of which are set out in the Key Features Document.

Lifetime Allowance Charge is the tax penalty on the total retirement benefits which exceed the Lifetime Allowance, details of which are set out in the Key Features Document.

MPAA means the Money Purchase Annual Allowance, the reduced Annual Allowance that applies to members of money purchase pension schemes who have accessed their pension benefits flexibly, details of which are set out in the Key Features Document.

Pension Account means an Account to which a Pension Date has not been applied.

Pension Date is the date applied to your Account(s) reflecting the date on which we start, at your request, paying you a Benefit.

A Pension Date cannot be earlier than age 55 unless:

- you have a Protected Pension Age in relation to a transfer in of your benefits to the Scheme on a non-voluntary basis and your Pension Date relates to all of the assets in the Account set up for that transfer; or
- the Ill Health Condition has been met.

There is no maximum Pension Date but if you die on or after your 75th birthday, any lump sum

death benefit paid will be taxed at 45%.

Permitted Transfers means the transfers into the Scheme which we will accept, which may take the form of a Transfer Payment or a Re-Registration Transfer, details of which are available on request. We can only accept transfer payments from final salary pension schemes, or any other occupational pension schemes, where safeguarded rights exist provided at the point the minimum legal and regulatory requirements are met and subject to any other terms as we may prescribe.

Pricing Point means the time at which the price of individual Units in a Collective Investment Fund, which is generally priced on each Business Day, are calculated.

Protected Pension Age means a right, on 5 April 2006, to draw a pension before age 55 as set out in the rules of the scheme as at 10 December 2003 under which the pension accrued.

Qualifying Recognised Overseas Pension Scheme means, as explained in the Rules, a pension scheme based outside of the UK to which a UK Registered Pension Scheme is allowed to transfer money or assets without a tax penalty.

Receiving Scheme means a pension scheme (or other pension arrangement or policy) of which you are a member and to which you want to transfer some or all of your investments.

Registered Pension Scheme is a pension scheme registered by the Revenue.

Relevant UK Earnings means income from employment or which is immediately derived from a trade, profession or vocation or patent income of an individual in respect of an invention.

Re-Registration Transfer means a transfer of assets from the Transferring Scheme to the Receiving Scheme without first being sold and paid as cash into the Receiving Scheme.

Revenue means Her Majesty's Revenue & Customs.

Rules means the rules of the Scheme (available on request).

Scheme means the Fidelity Retail Pension Scheme, a Registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004.

Scheme Administrator means the company or person or group of individuals appointed to administer the Scheme in accordance with the Rules. FASL is the current Scheme Administrator.

Tax Year means the period from 6 April in one year to 5 April of the next year.

Terms means these Terms and Conditions.

Transferring Scheme means a pension scheme (or other pension arrangement or policy) of which you are a member and from which you want to transfer some or all of your investments.

Transfer Payment means:

- a payment made into your Account(s) from another pension scheme; or
- a payment made from your Account(s) into another pension scheme.

Transitional Rights means the mechanism set up by the Revenue when they simplified the pensions tax regime from 6 April 2006 to protect rights built up before that date.

Trust Deed means the trust deed dated 4 February 2013 pursuant to which the trust was set up and the Scheme established.

Trustee means the trustee of the Scheme. The current Trustee is FSTL.

Uncrystallised Withdrawal means a withdrawal being made from the Pension Account under the Uncrystallised Funds Pension Lump Sum (UFPLS) rules set out in the Taxation of Pensions Act 2014.

UK means the United Kingdom of Great Britain and Northern Ireland excluding the Isle of Man and the Channel Islands.

Units are fractions of funds which are available to investors to buy and sell. Collective Investment Funds are divided into Units specifically for this purpose. In some fund structures Units are called shares. However, for clarity we have used 'units' throughout this document.

We, us, our refers to FASL, in its capacity as Scheme Administrator.

You, your refers to an Account Holder.

Any reference to any legislative or regulatory provision includes any statutory amendment or re-enactment of, or regulations made under, that provision and any previous corresponding legislative or regulatory provision.

References to your widow or widower include your registered civil partner who survives you.

The singular includes the plural and vice versa.

Reference to he/his shall include she/hers and vice versa.

General Information

Structure of the Scheme

The Scheme is governed by the Trust Deed and Rules. Currently:

- FSTL acts as the Trustee; and
- FASL has been appointed to the role of Scheme Administrator.

The Scheme Administrator will administer the Scheme in accordance with the Rules. By becoming an Account Holder you agree to be bound by the Rules, which are available by written request.

If there are any conflicts between these Terms and the Rules the Rules will prevail.

Custody of the assets

The Trustee is the legal owner of all cash and assets within the Scheme, holding them on behalf of the Account Holders. The assets are held separately from any other assets of companies within the Fidelity group by the Trustee or, on the Trustee's behalf, by a nominee or custodian in accordance with the Rules.

The Trustee will normally exercise any voting rights in respect of any of your investments.

Client classification

We will classify you as a Retail Client within the meaning of the FCA Rules and we will provide services to you as an Account Holder on this basis.

Financial Services

Compensation Scheme

Your Account(s) and most investments therein are covered by the UK Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation from the FSCS in the unlikely event we cannot meet our liability to you. This depends on the type of business and the circumstances of the claim. Much of the investment business carried on by FundsNetwork (i.e. dealings in UK funds) is covered for 100% of eligible investments up to a maximum of £50,000 claimed. Non-UK funds are not covered by the UK FSCS but they may be covered by other European compensation schemes. For further information about compensation arrangements please refer to the Key Features Document.

Becoming an Account Holder

Eligibility

You will be eligible to apply for the FundsNetwork Pension if you are:

- Under the age of 75 unless you wish to transfer your other pensions;
- Resident in the UK for tax purposes or in overseas Crown employment or married to or in a civil partnership with a Crown servant;
- Not a US person; and,
- You have received advice from an authorised financial adviser who has the relevant permissions to give advice on pensions and if necessary, pension transfers.

Although this isn't an exhaustive description, a US person is:

- any citizen of the United States of America (US)
- any person holding a US passport regardless of residency or domicile
- any company having a registered office in the US
- anyone who has an obligation to pay tax to the US tax authorities on their worldwide income

You must inform us as soon as possible if you stop being a UK resident or if you become a US person as restrictions and changes may be applied to your Account(s) and the services we provide you as a consequence.

Joining the Scheme

You and your Adviser, will need to complete an application form in order for you to join the Scheme. Alternatively your Adviser may complete an application form on your behalf.

Where an individual is under the age of 18:

- their legal guardian and their Adviser, or their Adviser alone, must complete an application on their behalf; and
- the legal guardian must be responsible for the contract as if they were the Account Holder, until the individual reaches age 18, including making sure that Revenue contribution limits are not exceeded.

We reserve the right to reject any application that does not meet the necessary criteria. Once we have accepted the application we will issue you with an Account Number. You must quote this number when you contact us.

We do not provide any advice as to the suitability of the FundsNetwork Pension or any investments you may decide to hold within your Account(s). Content on our website, any other linked websites or material must not be construed as financial, investment or tax advice of any kind.

Accounts

You will usually have one Pension Account into which all regular or single payments you choose to make will be paid. Depending on the Benefits you decide to take and when you wish them to be paid you may have more than one Drawdown Account.

We'll issue a confirmation to you each time that we create a new Account for you.

Benefits

Your Benefits depend on how investments held for you perform.

Payments into your Account

Initial payment

You can become an Account Holder by making a:

- payment of a personal contribution(s) (single or regular) from you or a third party on your behalf;

- payment of a contribution(s) from your employer;
- Permitted Transfer; or,
- any combination of the above.

Contributions

Contributions can be paid by you, your employer or a third party on your behalf. They can be paid on a regular basis (monthly or annually) or a single, ad-hoc basis.

Regular contributions

Regular contributions will be collected from your bank account by direct debit on the 10th of the month, or the next Business Day if this date is not a Business Day. We will collect payments until you notify us in writing that you wish to stop.

You, your employer or the third party can, at any time, increase, reduce or stop making regular contributions by notifying us at least five (5) Business Days before a collection date. If you notify us later than this we will process your request at the next available collection date.

We can refuse to accept any regular contribution or any increase to a regular contribution that is below the minimum set by us (see the 'Minimum and Maximum payments' section below) or at our discretion for any other reason determined by us, acting reasonably and as notified to you.

Single contributions

Single contributions can be paid by:

- cheque; or,
- electronic bank transfer;

Cheque payments can take at least five (5) Business Days before funds are available for use.

Tax relief and overpayments

You are wholly responsible for ensuring that all contributions are within allowable limits for tax relief in particular the Annual Allowance and the MPAA. We will repay any overpaid tax relief and interest on the overpayment on demand by the Revenue from your Account(s) without your further authority.

We shall determine requests for the return of contributions entirely at our discretion other than in cases where the request is within the cancellation period (see the 'Cancellation' section on page 7).

Any amount refunded may be less than that paid because of charges, investment performance or tax and/or interest applied by the Revenue.

Permitted Transfers

The Scheme will only accept Permitted Transfers where the appropriate form has been completed by your Adviser. Before we can accept a Permitted Transfer we will require certain information from your Adviser and the Transferring Scheme. If we don't receive complete and accurate information, we won't be able to accept the Permitted Transfer and we'll return to the Transferring Scheme any money or assets that we have already received for that Permitted Transfer. We will notify you if we do this.

We can accept Permitted Transfers in cash, as Re-Registration Transfers or a combination of both. However, for a Re-Registration Transfer we must be able to register and hold such investments on our platform. If we cannot accept an asset it will need to be sold and the sale proceeds transferred to the Scheme.

Minimum and maximum payments

We set a minimum on the size of any payment that we'll accept into a Pension Account. Where more than one Transfer Payment is being made at the same time, the minimum applies to the total of all those Transfer Payments. We also apply a limit on the minimum amount by which any regular contributions can be varied.

While we do not place a restriction on the maximum amount you can pay into a Pension

Account, if you make payments in excess of the limits set by the Revenue, you may be liable to tax and/or penalty charges.

Automatic Annual Increase

Where you pay regular monthly contributions by direct debit, you can ask for the contributions to increase automatically each year by a fixed percentage of up to 10% (in increments of 1%).

We will apply the increase unless we have a valid reason not to, in which case we will inform you of our reasons. If we agree, the regular contributions will increase each year on the anniversary of the day on which the first regular contribution was paid in (the "Anniversary Date").

Each year, before the Anniversary Date, we will tell you what the new level of contributions will be from the Anniversary Date. Unless you tell us to collect a different amount, we will then collect that new level of contributions until the following Anniversary Date.

You can ask for your regular contributions to stop increasing automatically at any time.

Failed payments

If a cheque payment made by you is returned unpaid (bounced) or your direct debit instruction fails, we will inform you of this. In the unlikely event of your cheque being returned unpaid or direct debit failing after we have used it to buy investments, and your Pension Account doesn't have sufficient available monies to cover the purchase proceeds, we will sell those investments or exercise any right to cancel their purchase. You may be charged any reasonably incurred costs or expenses we incur in doing so. If the value we receive for selling or cancelling the purchase of an investment is less than the price we paid for it, we will deduct the difference from the value of your assets.

We can decide that we will no longer accept any further payments into your Pension Account(s), provided that we have reasonable reasons for doing so and we notify you of our reasons.

Tax relief on personal contributions

We will reclaim basic rate tax relief from the Revenue on your behalf. If you are a higher or additional rate taxpayer you may be eligible to reclaim further tax relief through your Self-Assessment Tax Return. If you are employed and your employer is making contributions, these are paid gross.

It can take between 6 and 8 weeks from the end of the month in which you make the contribution to receive tax relief on your personal contributions from the Revenue.

Tax charges

You should be aware of the Annual Allowance Charge and Lifetime Allowance Charge which can be imposed in prescribed circumstances. You may elect to use the statutory option to notify us in writing that you want the Annual Allowance Charge to be deducted from your Account(s). We will comply with any such notice.

Investments

Permitted investments

You may invest in Collective Investment Funds on our platform. These investments are provided by a number of different underlying providers and may be subject to corporate actions such as fund mergers or splits. There is no limit on the number of Collective Investment Funds which are on our platform that can be held in your Account(s), although a minimum investment amount may apply to the funds. In addition you may leave all or part of your Account(s) in the form of cash.

The Trustee has absolute discretion as to whether an investment is allowed to be held as an asset within your Account(s). The Trustee also reserves the right to sell any investment held as an asset of your Account(s) at anytime if, in the Trustee's opinion, the continued holding of that asset prejudices the Scheme's status as a Registered Pension Scheme.

The Trustee may, from time to time and at its absolute discretion, consider other types of investment in addition to those identified above as permitted.

How to give investment instructions

You or your Adviser on your behalf may instruct us to buy or sell Units in Collective Investment Funds by application form or your Adviser may submit a web instruction instead. Instructions to buy will usually only be carried out if there are cleared funds available for the total purchase value including any charges that may be applicable to such a purchase.

Buying

When you or your Adviser instructs us to buy Units in Collective Investment Funds, from existing cleared funds in the Cash Account, these Units will be bought at the next available Pricing Point. Any buy instruction received in relation to a new payment into the pension such as a contribution or a transfer, these will be transacted within two (2) Business Days of receiving cleared funds. The payment for your purchase will be made out of your holding in the Cash Account.

Selling

Similarly when you or your Adviser instructs us to sell Units we will sell the Units, as soon as practicable after we receive your instructions, to the provider of the Collective Investment Fund. The proceeds will be added to your holding in the Cash Account. Any sell instruction received will be transacted within two (2) Business Days.

Switching

You or your Adviser can instruct us to switch your investments between Collective Investment Funds. A switch of Units will constitute two separate but linked transactions (a "buy" and a "sell") which usually will take two (2) Business Days.

Any paper switch instruction received by 5.00pm on any Business Day will be transacted by 9.45am the following Business Day.

Any on-line switch instruction received by 9.00am will be transacted on the same day. Any instructions received after 9.00am may or may not be transacted on the same day.

When a Force Majeure Event occurs we reserve the right not to pre-fund the "buy" and therefore the implementation of a switch instruction will result in investment monies being temporarily uninvested and held as cash pending reinvestment. During this period you will not benefit from any market gains.

Settlement Period

In the case of buying and selling Units, the settlement period for most funds is four (4) Business Days. This means that where you or your Adviser has instructed us to buy Units, the Units will usually appear four (4) Business Days after the transaction and when you or your Adviser has instructed us to sell Units, the proceeds will usually appear in your cleared cash holding four (4) Business Days after the transaction.

When a buy or sell transaction is pending you will not be able to deal on the units being bought or sold until such units are settled.

When buying Units the settlement value will be removed from the Cash Account on the settlement date and passed to FASL to settle the deal.

Pricing

Units are sold and purchased at the prices determined by the provider at the appropriate Pricing Point specific to each fund. For further information about pricing please contact us.

Income

Any income received from providers as a result of you holding a certain investment will be credited to your holding in the Cash Account.

Regular monthly contributions

If you have provided us with valid investment instructions for regular monthly contributions, we will execute such instructions 2 Business Days after the collection of the payment. If you have chosen your regular monthly contributions to increase each year under the 'Automatic Annual Increase' option on page 3, the new regular monthly contribution will be invested in accordance with your original investment instruction.

Changes to your monthly investment instruction must be received by us, in writing, no less than five (5) Business Days before your next payment is due.

Tax relief

Where we have reclaimed tax relief on your behalf (see the 'Tax relief on person contributions' section on page 3) this will be invested in accordance with the most recent investment instruction we hold for your account at the time tax relief is received from the HMRC. It may take between 6 and 8 weeks from the end of the month in which you make the contribution for us to receive such monies from the Revenue.

Distributions

Any distribution in respect of your investments will be credited to your holding in the Cash Account once the monies have been received and reconciled.

Tax reclaim on distributions

We will reclaim any tax deducted from a distribution in respect of your investments by processing the appropriate tax vouchers with the Revenue. Funds received from the Revenue in respect of such tax reclaim will be added to your holding in the Cash Account.

Banking

Cash received by FASL, as administrator, under these Terms will be held as client money if required under the FCA Rules. Upon receipt of cleared funds FASL will transfer money to the Cash Account, which is held by FSTL as Trustee. All cash will be held as follows:

- FASL/FSTL will deposit the cash in the UK with one or more authorised banks (details of which can be provided upon request)
- The bank(s) will hold the cash on your behalf in trust accounts separate to any accounts used to hold money belonging to the Trustee or Administrator in their own right
- Neither FASL nor FSTL will be responsible for any acts or omissions of the banks;
- If a bank becomes insolvent, FASL/FSTL will have a claim against the bank on your behalf. If, however the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them;
- In certain circumstances the Trustee may, pending receipt of assets, hold cash of equivalent value on your behalf.

When you close your Account or have instructed us to sell all your Units we will take reasonable steps to pay all amounts to you, in accordance with strict requirements set out in the FCA Rules. If we are unsuccessful in contacting you and paying the

balance we may be entitled to distribute such amounts within the scheme.

Interest on cash

Your holding in the Cash Account will earn interest, details of which are set out in the Key Features Document.

Charges

Platform fees

Service Fees

Any service fees payable by you will be clearly set out in the Key Features Document, as amended from time to time. We will notify you of any changes in the service fees.

Investor Fee

Any investor fee payable by you will be clearly set out in the Key Features Document, as amended from time to time. The investor fee will be charged at the rate published by us from time to time and will be subject to change.

Product charges

Charges may be payable by you for the administration of your Account(s) as set out in the Key Features Document (amended from time to time). These charges may include, but are not limited to, the benefits withdrawal charges and any other ancillary charges payable for the day-to-day administration of your Account(s). Product charges may be subject to increases. We will give you as much notice as is reasonably practicable of such amendments, and in any case, in accordance with FCA Rules.

All product charges (where applicable), service fees and the investor fee (where applicable) will be deducted from your holding in the Cash Account as and when they fall due. If you do not have sufficient available cash to cover the charges due, we will sell assets held within your Account(s) to recover those charges. In such circumstances we will sell from your nominated fund (where applicable) or the largest value holding at the time of deducting the charges.

We may impose certain additional charges which you will be required to pay if you do not comply with these Terms. Such additional charges may include, without limitation, any reasonable legal costs which we may incur as a result of your failure to comply with these Terms.

Investment charges

Many funds are bought and sold at a single price but for certain funds a bid offer spread is applied on purchases and redemptions. Further details are given in the Key Features Document and are available on request.

Each fund manager of a Collective Investment Fund collects an annual management charge ("AMC"). Certain additional expenses and charges the fund may incur are added to the AMC and a total ongoing charges figure or total expense ratio figure is calculated annually and produced for investors.

Some fund managers levy charges for buying into the fund and selling out of the fund to cover specific costs. These charges are known as Fund Manager's Buy Charges and Fund Manager's Sell Charges and are taken by the investment manager from investments in the funds typically to protect existing investors from the costs of trading by other investors. Further details of these charges, together with the dealing fee for ETPs and Investment Trusts, are set out in the Key Features document.

Where we have negotiated a discount on the AMC from the fund manager, this will be paid on a quarterly basis on the terms set out in the Key Features

Document, but, in any event no later than 45 days Business Days following the end of the relevant quarter. For the purposes of FCA client money rules, the discount will become due and payable on the date it is reinvested. The amount of the discount will be calculated by reference to the relevant funds in which you are invested as at calendar quarter end. However, if you have closed your account and ceased to have assets invested at the reinvestment date, we will not pay you any discount which relates to the quarter prior to such disinvestment.

Investment charges may be subject to increases. We will give you as much notice as is reasonably practicable of such amendments, and in any case, in accordance with the FCA Rules.

Adviser Charges

Adviser Charges are payments made in accordance with fee based remuneration agreements entered into between you and your Adviser. There are three different methods by which we can arrange payment of Adviser Fees on your behalf (and out of your money). We can only facilitate payments to one Adviser per account.

Initial Fees

Adviser Initial Fees can be applicable in the following circumstances:

- When you set up a FundsNetwork Pension for the first time;
- When you make an additional contribution and/or a transfer into an existing FundsNetwork Pension; and/or
- When you use all or part of your Account to exercise benefits withdrawal options.

Adviser Initial Fees can be calculated as a percentage of the total value of your Pension Account, or the part of your Pension Account used to provide Benefits, or can be a flat monetary amount. They are deducted from your Account or part of your Account (as applicable). Where the Adviser Initial Fees are applicable to a new contribution and/or transfer, they will be deducted from your contribution/transfer before the balance is invested. If an Adviser Initial Fee is applicable it will be applied after any pension commencement lump sum is paid out.

Ongoing Fees

Adviser Ongoing Fees can be agreed as a percentage of the total value of your Pension Account, or the part of your Pension Account used to provide Benefits, or as an annual fixed monetary figure. Ongoing Fees are calculated at the end of each month and based on the average daily value for that month. If the Ongoing Fees percentage or amount is changed, the new rate or amount will be applied for the entire month in which the change was made.

Specified Fee

You can agree to pay your Adviser a one-off Specified Fee as a fixed monetary amount.

All Adviser Charges will be deducted from your holding in the Cash Account. Where there are insufficient monies in your holding in the Cash Account we will sell units from your nominated fund (where applicable) or the largest value holding. Any such sale will normally be made no later than the 10th of each month. All money deducted to pay the fees will be received and held by us in a FundsNetwork corporate account as agent for your Adviser until paid out to your Adviser.

Cancellation Rights

Where you exercise your right to cancel, any monies that have been deducted from your holding in the Cash Account in lieu of any Adviser Charges due will not be paid back by us as part of the cancellation. If you have agreed with your

Adviser to have these monies paid back following cancellation, you will need to contact and liaise with your Adviser directly.

We will rely on instructions given by your Adviser on your behalf with regard to payments of Adviser Charges. We will not be liable for any delays, losses or costs if your Adviser provides incomplete or incorrect information.

You may ask us to stop paying and calculating the Ongoing Fee at any time by notifying us in writing. Should you appoint a new Adviser, we will stop paying any fees to your Adviser until you decide to enter into a new Adviser Fee agreement.

Other Charges

MPAA notification charge

You must tell us if the MPAA becomes applicable to you at the time of becoming an Account Holder or, once you are an Account Holder, within 91 days of the MPAA becoming applicable to you. If you do not so notify us HMRC may impose a fine of such amount as set out in the regulations.

Early depletion charge

If the value of your Account (if applicable, meaning your Pension Account and your Drawdown Account together) reduces below £25,000 in the first two years of becoming an Account Holder, mainly due to withdrawing benefits through flexi-access drawdown or Uncrystallised Withdrawals, we may deduct a one-off depletion charge of such amount as we may reasonably notify to you. This charge will only be applicable to Accounts set-up from 6 April 2015. Any Accounts set-up before this date will be exempt from this charge.

Benefits at Pension Date

Value of Benefits

Your Benefits are not guaranteed. The amount available to provide Benefits at any date will be the market value of the investments held within your Account(s) which will depend on:

- the contributions made to your Account(s);
- the returns from the investments;
- the charges deducted; and
- the cost of converting your Account(s) into an income when you decide to take Benefits.

Benefits will only be paid in sterling (GBP) to a UK bank account in your name or to an account on which you are a joint signatory.

Choice of Benefits

At Pension Date you may, subject to the conditions set out in the rest of this section, choose the following Benefits:

- a pension commencement lump sum;
- pension drawdown;
- an annuity;
- withdrawals from your Pension Account (Uncrystallised Withdrawals); or
- a combination of the options above.

Pension commencement lump sum

You will normally be eligible to take a portion of your Account(s), to which a Pension Date has been applied, as a tax-free lump sum at your Pension Date. Currently this is 25% of the total value of the relevant Account(s). A different amount may be available if you have Transitional Rights.

Pension Drawdown

You can take income in the form of pension drawdown from a Drawdown Account created at a Pension Date provided:

- you have received advice from your Adviser confirming that pension drawdown is suitable for you;

- you meet the minimum requirements set out in the pension regulations in force; and
- where you are taking income for the first time, the value of your Pension Account is above the limit as laid out in the Key Features Document.

Where you are taking pension drawdown you may also opt to receive a pension commencement lump sum. This lump sum will be payable from the newly created Drawdown Account and the balance will then be used to provide you with an income.

If you are transferring in assets from a Registered Pension Scheme from which you are already taking pension drawdown, we will create a separate Drawdown Account from which your income will be paid.

You may, take income from your Drawdown Account(s):

- As a one-off income request;
- Monthly;
- Quarterly;
- Half yearly; or
- Yearly

You may choose to receive your income payments on the 10th or the 25th of the relevant month in which the payment is made.

There are two types of pension drawdown.

Flexi-access drawdown

With this option you can use all or part of your Pension Account to set-up flexi-access drawdown. You can take up to 25% of the value tax-free and any further withdrawals taken will be taxed at your marginal tax rate in accordance with the tax code we receive from the HMRC for you. There is no upper or lower limit to how much income you can take from the flexi-access Drawdown Account. When you take pension drawdown from your Pension Account for the first time, a new Drawdown Account will be created in order to separate the part(s) of your pension that are in drawdown from any part that is not yet used to provide drawdown. If you have only taken pension drawdown from part of your Pension Account, you may move further monies into pension drawdown by requesting us to move additional monies from your Pension Account into your existing Drawdown Account.

Capped drawdown

General

This option is only available if you had set up a capped Drawdown Account before 6 April 2015. This option enables you to have access to an income subject to the maximum levels prescribed by the Revenue in accordance with tables produced by the Government Actuary's Department.

You may continue to remain in a capped Drawdown Account provided you do not exceed the maximum income limit. You may designate additional monies from your Pension Account to an existing capped Drawdown Account at which point the maximum income level will be recalculated.

Reviews

The maximum income you can take through capped pension drawdown will generally be reviewed every three years until age 75 and annually thereafter, based on the rates set by the Government Actuary's Department for an individual of the same age at the time of each review. The following events could also trigger a review outside of the three year review cycle:

- you buy an annuity;
- a transfer value is deducted pursuant to a pension sharing order;
- you request a review (which may be subject to the application of a charge); or
- you move additional monies into an existing Drawdown Account.

We will entirely at our discretion carry out an ad-hoc review request made by you or your Adviser.

The maximum income could increase or decrease after each review.

You can increase, decrease, stop and restart your income provided that your income doesn't exceed the maximum income. If you want to change the level of your income, you must tell us at least ten (10) Business Days before the next payment date.

Following a review, if the maximum annual income you may take from your Drawdown Account has reduced below the level of income you have requested us to be paid to you, we will automatically reduce any regular income we pay to you proportionately across the payment intervals.

Uncrystallised Withdrawal

Uncrystallised Withdrawal is the option to take ad-hoc withdrawals from your Pension Account without the need to set up a Drawdown Account. 25% of the total withdrawal amount will be tax-free and the rest taxable at your marginal income tax rate. This option does not allow you to set up a regular withdrawal instruction.

Buying an annuity

You can use some or all of your Account(s) to buy an annuity at Pension Date from an annuity provider before or after taking pension drawdown.

If you intend to use your Account(s) to buy an annuity we will deduct from the annuity purchase price any outstanding charges.

Reaching age 75

When you reach age 75, we, in our capacity as scheme administrator, are required by law to conduct a Lifetime Allowance test on your Account(s). In the event of a Lifetime Allowance Charge being payable we will deduct this amount from your Account(s) and remit it to the Revenue.

Serious ill-health lump sum

If we receive evidence from a registered medical practitioner that you're expected to live for less than one year, you may have the option of taking the proceeds of your Pension Account(s) as a lump sum. The lump sum must satisfy the conditions set out in the Rules.

Small pots

Under the small pot rules, you may take all your pension benefits in the form of a one-off lump sum provided you meet certain criteria set by the Revenue. To be able to take your benefits under the small pot rules you must be aged 55 or over and the value of all benefits held under Registered Pension Schemes in your name is below the limit set by the Revenue. This limit is reviewed each year by the Revenue.

Death benefits

Death benefits from Pension Account(s) and Drawdown Account(s) if you die before the age of 75

The following benefits may be payable:

- lump sum death benefit;
- pension; or
- a combination of the above.

Lump sum death benefit

Subject to regulations, we will pay out the total value of your Pension Account(s) and, if applicable, Drawdown Account(s) as a lump sum under the Discretionary Trust, unless the person to whom this benefit will be paid elects to receive part or all of it as a pension instead.

Pension

The person to whom we will pay the lump sum death benefit under the Discretionary Trust may use all or part of your Pension Account(s) and, if applicable, Drawdown Account(s) to provide a pension by asking us:

- to purchase an annuity from an annuity provider; or
- to pay income to them in the form of flexi-access drawdown (and the relevant provisions of the 'Pension Drawdown' section will apply as appropriate).

Death benefits from Pension Account(s) and Drawdown Account(s) if you die after the age of 75

The same lump sum or pension benefits are available to your beneficiaries subject to any lump sum death benefits being taxed and any benefits paid out through a beneficiary Drawdown Account being taxed at the beneficiaries' highest rate of marginal tax.

Conditions relating to pension drawdown

A person will be unable to take pension drawdown under this Section unless he/she has:

- received financial advice from an Adviser;
- reached age 55 (or earlier if he/she has a Protected Pension Age or the Ill Health Condition has been met); and
- agreed to be bound by these Terms.

Investments

In the event of your death any investments will continue to be held until a payment(s) has been made under the Discretionary Trust. During this time, however long this may be, the value of investments may fluctuate and we will not be liable for any loss in the value of your Account(s) due to a fall in the value of the investments between the date of your death and the date of the (final) payment.

Taxation of benefits

You should be aware of the tax charges which may apply to benefits payable on your death, details of which are set out in the Key Features Document.

Transfers to another scheme

Subject to regulations, you can ask us to transfer all or part of your Account(s) to:

- another Registered Pension Scheme; or
- a Qualifying Recognised Overseas Pension Scheme.

If you ask us to transfer only part of your Account(s), we may not agree to the transfer if, in our reasonable opinion, it wouldn't be cost effective for us to process the transfer or to administer the part of your Account(s) that's left behind.

If the transfer is to a Qualifying Recognised Overseas Pension Scheme, we will deduct any Lifetime Allowance Charge that might apply.

If you ask us to transfer part of your Account(s), you must tell us which investments we should sell to make the Transfer Payment or which investments to transfer if you wish to make a Re-Registration Transfer.

If you ask us to transfer your entire Account(s), we will sell all of the investments held for you under the Account(s) unless you wish to make a Re-Registration Transfer, in which case you must tell us which investments we should transfer.

We will need time to make sure that we comply with the requirements on transfers in the Rules and we will be unable to make a transfer until we've sold the assets that we need to sell to provide the Transfer Payment.

Reporting

Regular reporting on your FundsNetwork Pension will be made available as outlined in the "How can I find out how my FundsNetwork Pension is performing" section of the Key Features Document.

Statements and other reports may also be issued upon request on an ad hoc basis, although we reserve the right to charge an additional fee for this. We will notify you of the charge when the ad hoc documentation is requested.

General terms

Data protection

We will collect personal information about you such as your name, address and age ('personal data') during the application process in order to consider your application for a FundsNetwork Pension. Personal data will be used by us to set up and administer your Account(s). We will therefore act as 'data controller' as that term is defined in the DPA. We will keep personal data you have supplied confidential, and won't disclose it unless it's lawful for us to do so.

If your application is successful, we will use your personal data to provide our services to you and manage our relationship and our business and services with you. If your application is submitted but doesn't proceed, your personal data will be held on our records for up to seven (7) years before it is deleted, in line with legislative requirements. Further, if you:

- opt out of an occupational pension scheme as defined under FCA Rules in conjunction with becoming an Account Holder; or
- if you transfer out your Account(s) in accordance with the 'Transfers to another scheme' section in the previous column.

we will keep any personal data as long as required by the FCA and then delete it.

If required for the purposes mentioned above, we may disclose your personal data (and sensitive personal data) collected to:

- your professional advisers, other companies within the Fidelity group of companies or companies associated with or affiliated to our platform;
- third party service providers to us; and
- where we consider it appropriate and lawful to do so, other organisations.

Your personal data and sensitive personal data may be held or disclosed in countries outside the European Economic Area which may not have the same standard of data protection laws. Where this occurs, we will take appropriate steps to adequately protect it.

If you'd like to request a copy of the personal data we hold about you, please write to the Data Protection Co-ordinator at the FundsNetwork address given on page 1. We may charge a fee for providing the information.

Best Execution

A statement of our "Best Execution" policy is attached at Appendix 1 and forms part of these Terms. This describes our policy to enable us to

deliver the best possible result for clients when dealing with orders for them under these Terms. By accepting these Terms, you consent to the Best Execution policy and, where applicable, you give your prior express consent to Fidelity's executing orders outside a regulated market or a multilateral trading facility (within the meaning of the FCA Rules).

Conflicts of interest policy

We have an obligation to you to identify and manage the conflicts of interest that may arise within our business. It is a matter of trust and we consider it important for you to know that we will use all reasonable endeavours to ensure we identify these conflicts, look to resolve them and to treat you fairly. Our Conflicts of Interest policy sets out the types of actual or potential conflicts which affect Fidelity's business and provides details of how these are managed. Further details of our Conflicts of Interest policy are available on request.

Notices

The notices that either we or you are required to send under these Terms must be in writing but can be sent either:

- by email where you have given prior express consent to receive electronic notifications in accordance with the FCA Rules; or
- by post to your last notified address or our address as shown at the start of these Terms.

If a notice is served by first class post, it will be deemed delivered two (2) Business Days after being posted. If a notice is served by second class post, it will be deemed delivered four (4) Business Days after being posted. In proving such notice, it will be enough to prove that the envelope containing the notice was properly addressed, stamped and posted.

If a notice is sent by email, it will be deemed delivered on the day it was sent provided no non-delivery message is received by the sender.

Liability

Your liability

You agree to indemnify us against all liabilities incurred by us in connection with your investments and Account(s), other than liabilities caused as a direct result of our negligence, knowing default, fraud or breach of the FCA Rules or of these Terms.

Our liability

We are liable for the direct results of our negligence, knowing default, fraud and for any breach of the FCA Rules or of these Terms. Subject to this, we are not liable for:

- any loss caused through a fall in value of your investments in your Account(s) (including, without limitation, those which may occur due to delays during the process of verifying an investor's identity in compliance with anti-money laundering regulations);
- any unauthorised use or other misuse of your debit card;
- any indirect, special or consequential loss you might suffer (including direct or indirect loss of profit);
- the performance of any third party involved in the provision to you of products or services (including, without limitation, any non-Fidelity product provider whose products are available through our platform);
- investments until cleared funds are received;
- any loss or delay caused in the payment or transfer of funds to us.

Complaints

We have an established complaints procedure in relation to the Scheme which conforms to the

FCA's complaints procedure, a copy of which is available on request. In certain circumstances you may also refer your complaint to the Financial Ombudsman Service or The Pension Advisory Service. For further information please refer to the Key Features Document.

Winding-up or amendment of the Scheme

The provider of the Scheme (currently FASL) may wind-up the Scheme or amend the Trust Deed and the Rules at any time. In the event of winding-up benefits provided by contributions already paid will be dealt with in accordance with the Rules. You will be notified of the effect on you of any winding-up or amendment.

Cancellation

You will have the right to cancel your Account(s) up until 30 calendar days from the point you receive notification of our acceptance of your application. Further details of your rights relating to cancellation and the periods in respect of the same are detailed in the Key Features Document which will have been provided to you with these Terms. That document also sets out your right to change your mind in relation to transfers-in of benefits which are separate to the right to cancel your Account(s) at outset.

You can close your Account(s) at any time by requesting a transfer to another appropriate pension arrangement, or by purchasing an annuity. Termination is also effective in the event of your death. Your Account(s) remains in force until such time as all appropriate payments and benefits have been completed and charges for your Account(s) will continue to fall due during this time.

We may close your Account(s) by giving you at least three months' prior written notice and require you to transfer your investments and cash to another suitable scheme. If you do not make arrangements within this time, we may deem that you have instructed us to sell all of your investments and transfer the cash value to another appropriate scheme that we, in our discretion, may choose and you authorise us to execute documentation on your behalf to complete such arrangements.

Changing or replacing these Terms

We may change these Terms:

- if HMRC withdraws the registration of the Scheme;
- to meet any change in law or regulation;
- to reflect any changes to our services, products, or processes and any changes in market practice or customer requirements, provided there is no material detriment to you;
- if there is a change in the rate or basis of taxation or levies which affects the FundsNetwork Pension or the Scheme.

If we make any changes to the Terms we will notify you, giving you thirty days' notice of the proposed change or such notice as may be required under the FCA Rules.

Force Majeure

We will not be liable to you if we fail to meet our obligations to you due to the occurrence of a Force Majeure Event affecting us or any of our key sub-contractors provided that we have complied with the FCA Rules on business continuity in all relevant respects.

Changing provider, trustee or administrator

The provider of the Scheme (currently FASL) can replace the Trustee and the Scheme Administrator. The provider can also appoint another party to act as provider in its place.

Anti-money laundering regulation

To comply with money laundering regulations we are required to confirm the identity of you, your employer or a third party making contributions to the Scheme. We may request documentary evidence or use an online referencing agency for this purpose (who will record an enquiry has been made).

In the event verification of any identity remains outstanding, we will have a right to apply restrictions on the Account. These include rejecting any investments and preventing release of cash benefits, until the necessary evidence of identity for all required individuals has been obtained. Monies will remain in your holding in the Cash Account until such verification is completed.

Legal jurisdiction

These Terms are governed by the laws of England and Wales. You and we will submit to the exclusive jurisdiction of the English courts in relation to any claim or dispute arising under these Terms.

External bodies

Your attention is drawn to the existence and purpose of two central bodies dealing with occupational and personal pension schemes as detailed in the Key Features Document.

Appendix 1

Best Execution Disclosure Statement

The following describes our policy to enable us to deliver the best possible result for clients when dealing with orders for them under these Terms. When we deal with an order to buy or sell investments under these Terms, we will do so in a way that achieves the best possible result for you in the circumstances. This may involve execution outside of a regulated market or multilateral trading facility and by signing these Terms you expressly consent for us to do this.

Orders relating to Units in Collective Investment Funds

The only method available for dealing with most Collective Investment Funds in practice is to transmit them to the operator of the fund or its agent for execution. For the most part, operators will, therefore, be the only "execution venue" that we use. Our policy generally requires us to consider various execution factors in deciding how best to execute a client order. These include price, cost, speed, likelihood of execution and settlement, size, nature and other relevant matters. Ordinarily, we will consider price to be the most important factor for you. However, when there is only one execution venue that we can use in practice to deal with your orders, we will have to use that venue regardless of the impact of other execution factors. Sometimes a fund may be available via another trading platform provided by a third party. Strictly speaking, this could be an alternative execution venue. However, we do not use such platforms, as we do not believe that we would obtain a better price by doing so.

Should you give us specific instructions as to how you would like your orders dealt with, this may prevent us from taking steps that we have designed to obtain the best possible result in the circumstances.

We will monitor the effectiveness of our best execution policy and arrangements and implement any necessary changes from time to time. We will notify you of any material changes to our best execution policy and arrangements made from time to time, where they are relevant to you.

