READY-MADE PENSIONS

TERMS & CONDITIONS

HALIFAX

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If you'd like a copy of this document in large print, Braille or in audio format, please contact us on **0330 123 3269**. All literature and future communication will be given in English.

If you have a hearing or speech impairment, you can contact us using the Relay UK Service. This is available 24 hours a day, 7 days a week.

This document sets out the terms for the services provided for your Ready-Made Pension (the "Account").

Our partner, Embark Investment Services Limited (Embark), is the pension provider and operator of the Ready-Made Pension.

We're all part of Lloyds Banking Group, which incorporates many well-known companies including Scottish Widows, Lloyds Bank, Halifax, Bank of Scotland, and Embark.

Ready-Made Pensions are provided by Embark Investments Services Limited (EISL), which is a wholly owned subsidiary of Embark Group Limited. EISL, is a company incorporated in England and Wales (company number 09955930) and is authorised and regulated by the Financial Conduct authority (Financial Services Register number 737356)

HOW THE READY-MADE PENSION WORKS

Your Ready-Made Pension (the Account) forms part of the Embark Personal Pension Scheme (the Scheme) which is operated by Embark.

Embark Trustees Limited is the trustee of the Scheme. The Assets in your Account are held by Embark Trustees Limited. This means Embark Trustees Limited is the legal owner of the Account Assets, but it holds these for your benefit in trust in accordance with the Scheme's Trust Deed and Scheme Rules.

Your entitlement in relation to your Ready-Made Pension is to the future benefits which will become payable under your Account in line with the Scheme Rules and the HMRC rules, which apply to you at the time you draw benefits.

This document, together with the additional documents listed below, sets out the terms of the agreement between you and us (the "Terms and Conditions") upon which the Ready-Made Pension is provided to you.

The additional documents are:

- Key Features Document– explains the key features of your Account and how it's operated and administered
- Confirmation Schedule – shows the payments made by you to your Account
- Charges Information Document – shows all fees and Charges for your Account
- Conflicts of Interest Policy – sets out how potential conflicts of interest are identified and managed
- Data Privacy Notices – describes how Embark uses and shares your data

These documents are stored within the Product Literature section in your online Account. The Key Features Document and these Terms and Conditions are also on our website.

You can ask us for a copy of these documents at any time.

These Terms and Conditions become legally binding on you and us when we confirm we have accepted an application by you to open a Ready-Made Pension Account. We confirm this to you when we send you the Confirmation Schedule.

We classify you as a "Retail Client" under the Financial Conduct Authority (FCA) Rules. This gives you a level of protection if things go wrong and you need to complain or claim compensation. It also means that we commit to providing you with information in a clear and straightforward way.

You should:

- keep these Terms and Conditions, as you may need them later;
- read them carefully and ask us if you don't understand anything.

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ROLES AND RESPONSIBILITIES

Your Ready-Made Pension is provided and operated by Embark under Chapter 2 of Part 4 of the Finance Act 2004. It has been established and is governed by the Trust Deed and Scheme Rules, which may be amended from time to time. A copy of the Trust Deed and Scheme Rules is available in your online Account's 'Product Literature' and on our website.

You'll be bound by both these Terms and Conditions and the Scheme Rules. Where there's any conflict between these Terms and Conditions and the Scheme Rules, the Scheme Rules shall prevail.

Embark is the Scheme administrator and operator of the Scheme and is responsible for the day-to-day running of the scheme. This includes making sure that any contributions paid into the Scheme and benefits paid by the Scheme follow these Terms and Conditions, the Scheme Rules and any relevant pension or tax legislation.

Embark Trustees Limited (ETL) is the trustee of the Scheme.

We will:

- operate your Ready-Made Pension in line with these Terms and Conditions, the Financial Conduct Authority (FCA) Rules and any other Applicable Laws;
- use due care and diligence in operating your Ready-Made Pension;
- act reasonably, proportionately and fairly, in line with the FCA Rules or any other Applicable Laws when we use our discretion, make a decision, or require information, in line with these Terms and Conditions
- where applicable, collect contributions from your nominated bank account;
- send the Fund Manager Trade Instructions to buy and sell your Investments;
- hold your Investments and cash in line with Regulatory Requirements including the FCA Custody Rules and Client Money Rules;
- make available any other information regulators require us to send to you from time to time.

From time to time, we may delegate some of our functions to trusted third parties.

We will not:

- give you any financial, investment or tax advice or assess the suitability or appropriateness for you of the Ready-Made Pension;
- be responsible for the performance of any Investments or be responsible for the acts and omissions of any Fund Manager, our Banking Partner, or trusted third parties except if they arise as a result of our negligence or willful default;
- be responsible if you can't access your Ready-Made Pension during core operational hours due to of unplanned interruptions;
- be responsible for events beyond our reasonable control;

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YOUR ROLE

You agree:

- to comply fully with all Applicable Laws;
- to promptly provide any personal identification we ask for;
- to provide any information we ask for, including your bank details if necessary;
- to provide us with a current email address with which we can contact you and you'll tell us promptly if the email address changes;
- to update your online Account as soon as possible with any changes to information we hold for you; for example, your name, where you live, email address or bank or building society account, or citizenship or country of tax residence;
- that the decision to open a Ready-Made Pension is yours, based on the information you've been provided with about the Account and underlying investments, and you understand you're not receiving advice;
- to notify us immediately if you breach any of these Terms and Conditions;
- that any instructions you provide to us will be accurate;
- to keep your Security Details secret at all times and not disclose them to anyone, take all reasonable care to prevent unauthorised or fraudulent use of your Security Details by others, and contact us as soon as possible if you know or suspect that someone knows your Security Details or is impersonating you;
- to review your statements and reply to any communications that are sent to you, where required;
- to tell us immediately if you do not recognise any transaction, or if you know or suspect that any instruction you've authorised has been carried out incorrectly;
- to comply with these Terms and Conditions.

If you've followed these Terms and Conditions, we'll reimburse you for the losses that you suffer because of your Security Details being used fraudulently.

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ELIGIBILITY

To open a Ready-Made Pension, you must be:

- Aged 18 or over and under 75;
- a UK resident for UK tax purposes;
- registered online or mobile banking app.

You must not be:

- a resident of the Channel Islands (Jersey, Guernsey or the Isle of Man);
- a U.S. Person as defined by the U.S Internal Revenue Service (available on **www.irs.gov**).

If, after opening your Ready-Made Pension you move abroad or your eligibility status changes, it's your responsibility to tell us immediately, as you may no longer be eligible to continue to contribute or keep your Account open.

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YOUR READY-MADE PENSION ADMINISTRATION

A Ready-Made Pension can be opened with a minimum payment of £150 per month and/or a lump sum payment £5,000, after basic rate tax relief is added. Where you're opening an Account with a transfer/s, the total value must be at least £10,000.

To apply for a Ready-Made Pension, you'll complete and submit a digital application, together with any documentation we require. By submitting your application, you confirm your acceptance to these Terms and Conditions.

Applications must be made together with:

- a payment that meets the minimum levels, and/or;
- a direct debit instruction and/or;
- where you're opening an Account with a transfer, a fully completed transfer instruction may be required.

Your Ready-Made Pension Account will be opened once we send you the Confirmation Schedule.

We have the right to refuse any application to open a Ready-Made Pension.

You must make sure the correct Account reference details are included in all direct credit payments, to enable the funds to be correctly allocated to your Account. We won't be responsible if we're unable to match funds received with incorrect Account reference details.

Using your Ready-Made Pension

You'll be able to view your Ready-Made Pension on your online banking or mobile banking app.

Please see the Key Features Document for information on how to manage your Account.

We'll take all reasonable steps to make sure your Account is available online at any time. Sometimes, we'll need to interrupt our online service to perform maintenance.

Contributions and funding your Ready-Made Pension

Subject to any restrictions detailed below, contributions to your Account can be made in the following ways:

Personal contributions:

- regular contributions by direct debit;
- one-off contributions by faster payment (or internal banking transfer) or by debit card.

Employer or third-party contributions:

We don't accept contributions from an Employer or third party (such as your spouse, parent or grandparent).

Transfers in from existing pensions:

We can accept eligible transfers from UK-based registered pension schemes into your Ready-Made Pension. Please see the Key Features Document for more details and eligible transfer options.

If a transfer can't be completed from your existing provider, we may contact you to request revised instructions. We won't be liable for losses of any kind arising from such a delay.

Tax Relief

Anyone under the age of 75 is eligible to receive tax relief on personal contributions, subject to limits. The Government will pay an amount equal to the basic rate of tax to each contribution you make.

We'll automatically add the appropriate basic rate tax relief to the amount you've contributed to your Account. We'll then claim this back from HM Revenue & Customs (HMRC).

You'll need to claim any additional or higher rate tax relief through your annual self-assessment.

You won't receive tax relief on any pension transfers into your Account.

See the Key Features Document for further information.

Contribution Limits

There's no maximum amount you can pay to your Ready-Made Pension. However, there are limits on the amount of payments eligible for tax relief. This limit is known as the Annual Allowance.

You're responsible for ensuring all contributions are within allowable limits for tax relief.

We might be required to repay overpaid tax relief and interest on demand from HMRC, without your further authority.

If you've taken taxable pension benefits from any of your pensions and have triggered the Money Purchase Annual Allowance (MPAA) this will also limit the tax relief on any ongoing total pension contributions. You must tell us if the Money Purchase Annual Allowance applies to you and when it was triggered.

Further information is set out in the Key Features Document.

Regular Contributions

You can make monthly regular contributions by direct debit from a verified UK bank or building society account in your name.

You can start and stop regular contributions or change the amount at any time.

We'll process direct debit instructions as soon as we receive them. If we haven't received a direct debit instruction at least 10 days before your chosen collection date or if we've not received all relevant account opening documentation from you, the collection won't happen until the following month's scheduled collection date.

If the scheduled collection date is not a Business Day, we'll collect it on the next Business Day.

If a direct debit collection fails, such as due to insufficient funds in your bank account, we may have to disinvest any amount automatically invested for you and repay any applied tax relief on demand by HMRC without your authority. In this scenario, if a disinvestment results in a gain, we'll retain the gains made and pay to charity. If a loss occurs, we may recover the amount of the loss from your Account.

Unauthorised Payments

We won't knowingly pay you an Unauthorised Payment into your pension. Where a payment or other benefit results in a Scheme Sanction Charge, payment of the charge will be your responsibility, and it will be deducted from your Ready-Made Pension Account. This will not be the case if the charge was a result of third-party fraud, or negligence in the administration of your Ready-Made Pension.

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TAKING YOUR BENEFITS

When you open your Ready-Made Pension, you'll be asked to tell us the age which you plan to start taking retirement benefits from your Account (your 'selected retirement age'). We'll contact you at least 6 months prior to this date to let you know what options are available to you at that time.

You can take your benefits at any time on or after the Normal Minimum Pension Age (NMPA). This is currently set at age 55, changing to age 57 from 6th April 2028.

Taking your benefits

Information on your options for taking your benefits is set out in the Ready-Made Pension Retirement Guide and in the Key Features Document.

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CANCELLATION RIGHTS

When you open a Ready-Made Pension, you have the right to cancel within 30 days of the date you receive the letter confirming your Account is open. If you cancel:

- If we've purchased Investments for you during the cancellation period, we'll sell (disinvest) them before we complete the cancellation. You may receive less than you initially invested if the value of your investments has fallen during the cancellation period. You'll bear that risk, as well as any costs for the transactions. We won't include any investment gain in your returned payment (which we'll pay to a charity of our choice), and we'll return any applicable tax relief to HMRC.
- We'll pay any cash held to you without any interest.

If we have to cancel your Account because our Anti Money Laundering identity and verification requirements haven't been satisfied, we'll aim to return your money in the same way as above.

Cancellation: Pension transfer from a previous provider

Where you open a Ready-Made Pension by transferring an existing pension arrangement, and you decide to cancel within 30 days, we'll look to stop the transfer process before it begins. However, if the process has already started, we may be unable to stop the transaction. In this case, you may need to arrange to transfer back to your previous (or a new) provider as a transfer out, before we can cancel your Account.

Cancellation: Taking your benefits

Cancellation rights only apply at the point you crystallise your benefits into Flexi-Access Drawdown. This means that you have the right to cancel your instruction within 30 days. You'll need to return any income payments you receive. If these are not returned, they will be treated as 'unauthorised' payments and subject to tax charges.

Deceased Clients

On your death, the Investments in your Ready-Made Pension will remain unchanged, but will remain subject to Market movement until we receive any required documentation from the beneficiaries (or their personal representatives) that allows us to distribute any proceeds.

From the point we receive notification of your death, we'll cease any account charges. Investment charges will still apply.

The benefits that may be paid following your death and how to nominate any beneficiaries are set out in the Key Features Document.

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ACCOUNT CLOSURE

If there's a nil or very low balance in your Ready-Made Pension we're entitled to close your Account for the following reasons:

- if you've not given us the documents we need to meet our regulatory or legal responsibilities;
- if you've failed to provide us with satisfactory evidence or documentation for us to complete our Anti Money Laundering identity verification process;
- we believe there's any Anti Money Laundering or financial crime risk at any time;
- if we believe, acting reasonably that any information or declaration you've given to us when opening an Account or subsequently, is untrue, misleading, or incomplete in any material way, or if you fail to inform us of any information you later become aware of which makes any previous information untrue, misleading or incomplete;
- if we must, under the terms of a court order;
- if you've done or failed to do something which means we're unable to comply with our legal and/or regulatory obligations;
- where you're, or may be, behaving improperly – for example in a threatening or abusive way;
- if we're unable to complete our verification process for your limited company bank account;
- if you've no regular monthly payments set up and you've had a nil or very low balance for more than 6 months;
- if there's a material breach of the Terms and Conditions; or
- if the Scheme is wound-up in line with the scheme rules.

If there's still a balance in your Account, we're entitled to suspend your Ready-Made Pension if any of the above reasons apply. If this happens, we won't accept future contributions into your Account.

We'll let you know in writing the date on which we'll be closing or suspending your Account. If we do decide to close your Ready-Made Pension for any of the reasons above, we'll treat this section as an instruction from you to close your Account.

We'll not be legally responsible for any charges, fees, expenses, taxes or other amounts which become payable by closing or suspending your Account.

If funds within your active Account are depleted to a very low balance, and there's insufficient value to cover charges, we reserve the right to close your Account after a reasonable period.

When your Account is closed, we'll ask you for your instructions regarding any Assets and Cash held for you and we'll agree to a reasonable period for you to make alternative arrangements.

Residual Payments or very low balances

If we receive any residual payments relating to your Ready-Made Pension after closure, we'll make reasonable efforts to pay these to you using your previous payment method, less any administration expenses or charges. Or, if possible, send them to the pension provider you've transferred out to.

If the remaining balance, or total residual payment made to your Ready-Made Pension is less than £25, an administration charge will be raised to clear the balance. This fee will be paid to a charity of our choosing.



USING YOUR READY-MADE PENSION

Ready-Made Pension security and Security Details

To use our service, you must follow any reasonable instructions we give you.

We may stop you using our service if we reasonably believe:

- your identify details are being used by someone else;
- we have concerns about the security of your Account;
- your Account is being used in breach of these Terms and Conditions, or;
- there's an Anti-Money Laundering or financial crime risk.

You must not let anyone else know your Security Details and you must use reasonable care to keep your Security Details secure.

We may give the police or any other relevant authority any information they need if we think that it will help them find out if someone else is using your Security Details.

Where we stop you using the service we'll notify you. We'll inform you of our reasons for this, unless it's unlawful to do so, or if it would compromise security measures.

You're responsible for making sure your computer, mobile device and other equipment are compatible with our online service. You must also complete your own regular virus checks and security updates. We'll take reasonable care to prevent unauthorised access to our online service.

We'll make reasonable efforts to provide any service. We may suspend all or part of our service where we consider it necessary. This includes:

- for maintenance;
- technical problems;
- regulatory reasons, or;
- for our protection.

If the flow of information between us is interrupted (for example, your computer or mobile device crashes, you lose network connection or you receive an error message), and you're not certain if we accepted your instruction, don't enter it again. Instead, please try to sign in online again and check the Account details. If you can't sign in, or you're still uncertain if we've received your instructions, please contact us. We won't be responsible if you give us repeated, incorrect or mistaken instructions.

Unless we tell you otherwise, any software, hardware or device we give you in connection with the online service is licensed to you. The copyright and all other rights in it and any other information we give you is owned by us, or the person who licenses it to us. You must use it exclusively in line with these Terms and Conditions. You'll get no rights, title or interest in any such materials or intellectual property rights relating to them.

When the online service is unavailable, you can call us.

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YOUR READY-MADE PENSION INVESTMENTS

The Retirement Portfolio

We'll invest your money in a 'Retirement Portfolio' that targets the retirement date you've chosen for your Ready-Made Pension. Our Retirement Portfolios use the Scottish Widows Managed Growth Funds which are 'multi-asset' funds. These funds have varying degrees of risks.

We'll set the proportion of investment in each of these funds in line with our Lifestyling strategy.

Lifestyling Strategy

Our Lifestyling strategy aims to gradually reduce the investment risk your Ready-Made Pension savings are exposed to as you move closer to your retirement window. We do this by moving a proportion of your investments from a higher risk fund to a lower risk fund over a defined time period.

By opening a Ready-Made Pension you accept that your pension savings will be invested in a Retirement Portfolio, in line with our Lifestyling strategy. You won't have any control over the funds we choose for your Account.

Please note - if you change your selected retirement date for your Ready-Made Pension, our Lifestyling Strategy will target your new retirement date. As a result, the proportion invested in each of our funds might change.

You can find more information about how we invest your money in the Key Features Document and the Ready-Made Pension Investment Guide.

Changes to your Investments

We may make changes to the funds we hold in our Retirement Portfolios without any consent from you. Where there's a regulatory, legal, or operational requirement to remove a fund from the Ready-Made Pension, we may sell them. We'll tell you at least 30 days before we do this.

Executing Orders

If we receive and accept a contribution from you, we'll invest it as soon as possible, as an Order.

We can't accept any responsibility for any actual or potential financial loss you incur if, for any reason (other than our negligence), there's a delay or change in Market conditions before the execution of your Order is complete.

If we negligently fail to carry out an accepted Order, we'll take reasonable steps to return you to the right position.

We'll execute each Order in line with Regulatory Requirements and the rules of any Market the deal is on.

We carry out Orders in line with "best execution". "Best execution" is our obligation under the Regulatory Requirements to take steps to get the best possible results on a consistent basis.

We follow our Order Execution process for all Orders for your Ready-Made Pension:

Order Execution Process

- Our Order Execution Process applies to all Trade Instructions we carry out on your behalf for your Ready-Made Pension.
- Fund trades can only be executed with the fund's management company and they only trade once a day at the 'Assured Valuation Point' (AVP), when its assets are valued and the price per unit is set.
- When you buy or sell units in a fund, we send the order to the fund management company for execution at the next AVP.
- As an example, for a fund with an AVP of 12 noon, orders would ordinarily need to be placed by 11:15am to meet the day's cut-off time. Those orders will receive that day's price. Any orders placed after this time would receive the next working day's price. Each fund can have different AVPs and cut-off times, and if you wish to know what these times are you'll need to contact us to check prior to trading.
- The price achieved and the date the orders was priced will be confirmed to you within your contract note.

After an Order is placed, if we're asked to cancel any dealings in the relevant investment/s by that Market, we won't be liable for any actual or potential loss you incur.

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YOUR READY-MADE PENSION INVESTMENTS CONTINUED

Investment Income

Where we receive a dividend payment on your behalf, we'll credit the money to your Ready-Made Pension Account.

Where needed, you allow us to deduct Income tax at the appropriate rate from any dividends, interest payments and cash entitlements, which are paid gross. We'll pay the net amount to your Ready-Made Pension.

Withdrawals from your Ready-Made Pension

We'll use our Disinvestment Strategy to provide cash to cover any benefits you want to take.

We'll also regularly disinvest from your funds to pay any costs and charges due.

Disinvestment strategy

Where we make a disinvestment to pay our monthly Account Charge, or to enable us to proceed with an Instruction, we'll sell Investments proportionately across the funds in your Ready-Made Pension's 'Retirement Portfolio', based on the percentage held in each fund at that time.

Disinvesting to pay for charges and fees

We'll disinvest a minimum of £10 each time to cover fees and charges.

When applying our costs and charges, we round up fractions of a penny to the nearest penny.

Your Account may go into a negative balance if you don't hold enough Available Cash to pay for a transaction or for charges. In the event that your Account goes into a negative balance, or if you otherwise do not hold enough Available Cash, charges will continue to accrue until funds are subsequently received from you.

Disinvesting because of failed contributions

If we've purchased Investments for you in anticipation of receiving a contribution from you, and that contribution subsequently fails, we reserve the right to use the above disinvestment strategy. We:

- won't pass on any gains to you resulting from any disinvestment; and
- reserve the right to sell down from your investments to cover any losses.

We reserve the right to pass your details on to a third party for debt collection purposes, if we believe that any amount owing won't be paid.

Disinvesting to pay for tax free cash and income withdrawals

To account for any pending transactions and investment fluctuation, we'll sell down an additional 1% on top of your requested withdrawal amount. Once your payment has been processed, where the remaining excess sold down is £10 or more, we'll reinvest this amount. For amounts less than £10, we'll leave this in cash, and it will be used to pay for future charges and fees.

Disinvesting to transfer to another pension provider

You can transfer some, or all, of the value of your Ready-Made Pension as a Cash Transfer to another HMRC registered pension scheme that is willing to accept the transfer. If you've already started taking benefits from your Account using Drawdown, the full value of your Account must be transferred.

We'll arrange the transfer on receipt of their instructions. All transfers must be made in cash, so we'll sell all of your investments before we transfer the cash value to your new provider.

Settlement

The Ready-Made Pension is in Pounds Sterling. We'll carry out Deals and settle them in Pounds Sterling.

When we carry out a Deal for you, we'll update your Account to reflect the Investments we have bought or sold for you.

If a Corporate Action results in Investment being due to you or us, we'll update your Account in line with the terms of the offer.

Holding investments and cash

Holding your Investments

Investments in your Ready-Made Pension will be held by us on your behalf; however you remain the beneficial owner. We will hold your Investments in accordance with the FCA's Custody Rules, meaning we will hold these separately to our own Investments. We do this by registering legal title to your Investments in the following ways:

- In the name of a Nominee Company controlled by us, or an affiliated company. Our Nominee Company, or that of an affiliated company, can only hold your Investments and does not carry out business in its own right. We accept full responsibility for the acts and omissions of any Nominee Company controlled by us or an affiliated company; or

- In the name of a Nominee Company controlled by a third-party custodian with which we have deposited your Investments, who may in turn hold them through a sub-custodian. In accordance with the FCA's Custody Rules, we perform periodic due diligence on all third-parties with which we deposit your Investments; or
- In the name of a third party, or where this is not possible, our own name. We will only do this if the Investments are subject to a law or market practice of a jurisdiction outside of the United Kingdom, it is not feasible to do otherwise and we have determined that it is in your best interests.

Your Investments may be pooled with those of our other Clients. This means:

- that in the event of our, or any of our Custodians default or insolvency, if there's a shortfall which cannot be reconciled, there's a risk you may have to share proportionately in that shortfall;
- there's a risk that your options may be limited in respect of Corporate Actions; and you may receive Dividends or other distributions net of tax which has been paid or withheld at a less advantageous rate; and
- in the event your trade instruction results in a fractional unit (for example, where your instruction has been aggregated with other client trade instructions) this may result in us receiving an indivisible asset allocation or cash amount. In such a case we apply a methodology based on the largest holding and timing of trade instructions to determine how the asset allocation is divided.

Any distribution we receive from a Corporate Action will be allocated to your Account proportionately, based on your holding held within the Pooled Investment Account. Where a Corporate Action results in a Cash rounding difference or an entitlement to part of a unit in an Asset, then we reserve the right to retain such Cash, or the part of the unit in the Asset, or to gift them to a registered charity of our choice. Where a Corporate Action or trading activity results in a total aggregate entitlement that is greater than that which we have received, we'll pay any difference to you.

Holding Assets in the way described means you may lose incentives and shareholder benefits attaching to the Assets. The alternative nominee or third party may be located in or outside the jurisdiction in which we provide services to you.

There's a risk that your options may be limited in respect of Corporate Actions; and you may receive Dividends or other distributions net of tax which has been paid or withheld at a less advantageous rate.

We have the right at any time to appoint an alternative nominee and/or custodian for your Investments. Where your Assets are held by an alternative nominee or sub-custodian we cannot ensure that you wouldn't lose any Assets if that sub-custodian enters administration, liquidation, or a similar procedure. To show that the Assets are not available to the entity's creditors, we'll take reasonable steps to ensure that their records show that the Assets are held for you and that they do not belong to us or the alternative nominee or sub-custodian.

Where a temporary shortfall arises and is identified, we'll ensure it's resolved as soon as possible and, where required, appropriate a sufficient amount of our own money to cover the value of the identified shortfall until resolved.

In the event of our or our sub-custodian's default, you may have to share in the shortfall in proportion to the value of the Assets which we or the sub-custodian hold for you with other clients.

We'll not lend your Investments to any third party, nor will we use them as security for any borrowing.

We'll settle Trade Instructions by way of Contractual Settlement on the settlement date shown on the contract note, even where (depending upon the exchange on which your order is traded) we contract with underlying custodians on an Actual Settlement basis. This means that the crediting (and debiting) of Cash and Investments in your Account will occur on the due settlement date of your order (and not the actual settlement date, as it would under Actual Settlement). This means that in the event we do not receive proceeds of an executed sale you've instructed from our custodian, we'll pay the amount to you.

Holding your cash

We may hold a small proportion of your investment as Cash to meet any charges due. Any Cash we hold on your behalf is held as Client Money in accordance with the FCA's Client Money Rules. This means that Cash we hold on your behalf is held in specifically designated client bank accounts separate from our own cash.

We hold your Cash in pooled client bank accounts with an Approved Bank. We may also hold Cash in a client transaction account with a Third Party in connection with a transaction being executed via that Third Party.

If an Approved Bank or Third Party becomes insolvent, we'll seek to recover your money through all means reasonably available to us, including from the administrator or insolvency practitioner appointed to deal with that entity's affairs. If there's a shortfall in the amount held by the Approved Bank or Third Party, you may proportionally share any losses.

We'll exercise all due skill, care and diligence in the selection, appointment and periodic review of any Approved Bank or Third Party with whom we hold Client Money.

Cash held may be placed in accounts with notice periods of, or on deposit for fixed terms of, up to 95 days. Placing your cash in notice or term deposit accounts does not in itself affect your ability to deal with or withdraw funds from your Ready-Made Pension. However, such amounts may not be immediately available for distribution in the event of all or most account holders deciding to withdraw all of their cash at the same time, or in the event of default by us or by one of the institutions where your money is held.

Our Banking Partners pay us a variable rate of interest on Cash held with them and they have the discretion to change the rate without notice.

We may keep a proportion of the interest we receive and pass the rest on to you less, where applicable, tax charges and/or any other deductions we're required to make by HM Revenue and Customers (HMRC).

Any interest earned is calculated daily using the applicable rate against your Cash balance that day. On the first business day of each month, the total of these daily sums accrued in the prior month is paid into your Ready-Made Pension. Where you instruct a full transfer or withdrawal from your account, we'll pay any interest accrued when the transfer or withdrawal is made.

For more information on our Banking Partners and any interest currently being paid please go to **www.embarkplatform.co.uk/banking_and_interest_rates**

Cash held in your Account is also protected up to prescribed limits by the FSCS.

We may from time to time elect to make Cash available to you prior to the amount being received by us.

On receipt of a Trade Instruction, we'll be required to transfer your Cash to our Trusted Third Party to execute the transaction, however the Trusted Third Party agrees to hold your Cash in line with the FCA Client Money Rules or have adequate measures in place as agreed with us to protect your Cash prior to and after the Trade Instruction has been executed.

Our rights of "set off"

If we owe money to your Ready-Made Pension and you've not paid us any amount we're owed under these Terms and Conditions we may, where Regulatory Requirements allow, use the money that we owe you to reduce or repay the amount you owe us. This is called a set off right.

If we reasonably think you won't be able to pay us for an amount that is not yet due or depends on another event, we may use our set off right.

We may use it without telling you in advance, if we reasonably believe you'll act to prevent us from receiving payment by set off, or of we've otherwise agreed we can.

Our security interest over your Assets

If you owe us any money under these Terms and Conditions, we may keep your Investments as security (this right is known as a "lien").

In the unlikely event that we mistakenly add any Assets or Cash to your Account, we may remove them from your

Account. If you've withdrawn the Cash or sold the Asset and withdrawn the proceeds of sale, we'll treat the Cash withdrawn as a debt and we may use any of your Cash or Assets we hold or control to pay off or reduce that debt.

We'll not be liable for any tax charges or other losses incurred by you or us as a result of us exercising our rights to sell your Assets and/or your Cash.

General

Other members of Lloyds Banking Group may, where Regulatory Requirements allow, enforce the rights to set off, as if they were a party to these Terms and Conditions.

Nothing in this section limits any other rights that we and any other members of Lloyds Banking Group may have over your Investments, however such rights arise.

Corporate Actions

If a Corporate Action happens on Investments in your Ready-Made Pension, we'll aim to tell you above any rights, unless we consider it impractical to do so.

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TRANSFER OF BUSINESS

If we (Embark) transfer your Ready-Made Pension to a new pension operator or Scheme administrator, we'll give you at least 30 days' advance notice of this and will confirm the options to you at the time.

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COSTS AND CHARGES

You can find out more details on what you'll pay in the Key Features Document or in the Charges Information Document which can be found in the Product Literature section of your Account.

All costs and charges due from you to us are inclusive of VAT (where applicable).

We'll take any charges due from Cash in your Account. To ensure there's sufficient Cash to meet the charges, we'll regularly sell Investments automatically, in line with our Disinvestment Strategy.

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VALUATIONS AND STATEMENTS

Valuations

The performance of your Ready-Made Pension reflects whether the value of your investments has risen or fallen in the market. We're not responsible for any loss in the value of your investments unless this is caused by our negligence, fraud or willful default.

The price that we'll use for the valuation of Investments in your Account will be on a Mid-Price basis.

Details of the Investments we hold for you'll be available using our online service. This will show the value of your investments, cash and how the value has been calculated.

Statements

We'll provide you with a Confirmation Schedule when you set up a new contribution or transfer in.

We'll also provide quarterly and annual pension statements and illustrations.

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CORRECTING ERRORS

If we make a mistake when we execute an Order, we may send you a Confirmation Schedule that shows our mistake. When we've corrected our mistake, we'll give you a Confirmation Schedule that shows the steps we've taken to correct the mistake.

If you suspect an error has been made on your Ready-Made Pension, you must contact us straightaway so we can investigate.

Where an error or omission made by us has resulted in a financial detriment to you, we'll, with your agreement as necessary, determine the amount by which you've been disadvantaged and pay this amount to you. Payment may be made at your request to your Ready-Made Pension (where permissible) or to your nominated bank account within ten business days of the amount being determined by us.

We'll pay for any third-party charges incurred by us, that we cannot subsequently pass on to you.

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COMMUNICATIONS BETWEEN YOU AND US

When we need to contact you, we'll either:

- send an email to the address registered on your Account;
- add a notification to your Account inbox;
- call you;

We'll use reasonable care when sending documents or confirmations to you. We're not responsible for any loss, delay, change or corruption of the information or documents that is outside our reasonable control.

We'll send all written communications by email to the latest email address you've given us. We class emails as arriving straightaway. In circumstances where we can't send an email, we reserve the right to send such notices by post.

You should also make sure you can receive emails from us and it's safe to do so.

Where you've provided us with a UK mobile number, we may send you text messages about your Ready-Made Pension.

If you change your name, address, email address or other contact details, you must tell us straightaway.

Recording communications

We may record, keep, and/or monitor telephone calls or other communications for the purposes of:

- training;
- checking instructions;
- verifying your identity, and;
- making sure that we're meeting our service standards and Regulatory Requirements.

We may use these records as evidence if there's a dispute.

All telephone calls or conversations will be recorded. You can request a copy of the recording for up to five years from the date it's made, or up to seven years where the FCA tells us to keep it for that period.

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CONFLICTS OF INTEREST

There may be limited circumstances in which a conflict exists between your interests and those of us or our other clients.

To mitigate and control any conflicts, we have a Conflict-of-Interest Policy, which we can provide to you on request.

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CHANGES TO THESE TERMS AND CONDITIONS

You may terminate these Terms and Conditions and close your Ready-Made Pension at any time by giving us notice. We'll tell you what your termination options are. Any charges or fees incurred by you before termination remain due from your Account.

We may, at our discretion, end these Terms and Conditions and close your Ready-Made Pension by giving you one month's notice.

We can change or add to these Terms and Conditions.

We'll do this for reasons that may include but are not limited to those set out below. Unless the change is in your favour, or neutral, we'll aim to give you at least 30 days' written notice, or other such period allowed or required by Applicable Law.

Details of the changes will be added to the product literature tab within your online Account and may also be sent to you by other means if appropriate. You'll also be able to find the most recent version of the Terms and Conditions in the Product Literature section of your online Account and on our website.

We may decide to change or add to these Terms and Conditions for any reason including but not limited to the following:

- if required to do so to take account of changes to Applicable Law, official HMRC guidance or HMRC codes of practice, the way in which we're regulated by the FCA;
- to allow us to introduce new or improved technology, Services or operational practices;
- to implement a recommendation, requirement or decision of any court, government body, ombudsman, regulator or similar body;
- to make the Terms and Conditions clearer, fairer, to correct any errors we find or we reasonably consider that the change would not be to your disadvantage;
- to reflect new or improved industry practice;
- to take account of any change to our corporate structure as a result of a reorganisation of our business;
- the change is an increase to our costs and charges to respond proportionately to cost increases associated with providing the service and/or Ready-Made Pension;
- to take account of changes to any levies or charges we're required to pay by Applicable Law or by the FCA or under the FSCS.

We'll always act reasonably and won't go beyond what we think is necessary to make the change.

If you're not willing to accept a change we make to the Terms and Conditions, you may choose to close your Ready-made Pension before the changes come into effect.

If it is found that any section within these Terms and Conditions is invalid, that invalid section will have no effect on the validity of the remaining sections in these Terms and Conditions. The remaining Terms and Conditions will continue to remain in place.

Any failure or deferral to apply or implement rights under these Terms and Conditions by us or you does not mean they can't be applied or enforced in the future. Headings and sub-headings in these Terms and Conditions are for reference only.

We may transfer all or part of our rights and obligations under these Terms and Conditions to another firm. We'll not ask for your consent to do this, except where required by regulation, but will only do so if that other firm agrees that your rights under these Terms and Conditions won't be affected. You'll be provided with the Data Privacy Notice of the other firm ahead of any transfer of data to them. This will explain how the firm will use and store your personal data.

Circumstances beyond our control

There may be, on occasion, circumstances that prevent us from applying the sections in these Terms and Conditions. These include but are not limited to:

1. riot, civil unrest, military action, explosion or terrorism;
2. fire, flood, extreme weather, earthquake, epidemic, pandemic or other natural disaster
3. malicious attack on our technology hardware and software;
4. lockouts or other industrial action;
5. unforeseen legislation or regulation imposed that is not the result of our misconduct;
6. failure of important utilities like power, communications, water or transport that lead to disruptions, or;
7. any other event or circumstance that we're unable, using reasonable skill and care, to avoid

Where any event as described above occurs, that was beyond our reasonable control, and if you're being, have been, or are likely to be disadvantaged, we'll whenever possible, let you know as soon as we can, but you agree we bear no liability to you for any loss that has occurred.

Liability

Except where expressly stated elsewhere in these Terms and Conditions, nothing shall exclude or limit the liability of any party for fraudulent misrepresentation, deceit or dishonesty, death or personal injury resulting from its negligence or any other liability that can't be excluded by Applicable Law.

Subject to this section, we'll not be liable to you for any losses including fees, charges, compensation, loss of opportunity and taxes caused to you by:

- any loss on your Assets or the money we hold that is not a direct result of our negligence or willful default;
- our acts or omissions or those of any Banking Partners, except as a direct result of our negligence or willful default;
- any act or omission by us, which we reasonably believe to be necessary to avoid us breaching Applicable Laws;
- our action of enforcing any rights under these Terms and Conditions;
- any third party failure to provide us with Cash or Assets to which you're entitled as part of a transaction;
- our reliance on information provided by third parties where that information comes from other organisations that manage the Assets in your Ready-Made Pension; or
- our reliance on Market price data provided by third parties to carry out Instructions which proves to be erroneous or inaccurate.

This limitation of liability is subject to us complying with these Terms and Conditions and the FCA Rules.

Disclosure

By accepting these Terms and Conditions you give us authority to disclose any information (when required by law or otherwise) in relation to your Account to the following bodies:

- HMRC or other UK government body;
- any regulatory authority, for example the FCA; or the police; or,
- a regulated contractual Third Party.

Law

Our relationship with you, these Terms and Conditions and the sections within it are subject to the law of England and Wales.

Compensation

We're covered by the Financial Services Compensation Scheme, which was set up to provide compensation if firms authorised by the FCA are unable to meet claims made against them. The amount of compensation available depends on the type of business and the circumstances of the claim. Further information about the compensation arrangements is available from the Financial Services Compensation Scheme **(www.fscs.org.uk**).

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HOW TO CONTACT US

If you need any help or have any questions about your Ready-Made Pension, you can contact us using the details below:

By mail:

The Ready-Made Pension team
Lloyds Banking Group
12 Wellington Place
Leeds
LS1 4AP

Telephone: **0330 123 3269**

Available Monday to Friday 9am to 5pm. Calls may be recorded for training and monitoring purposes.

By secure message:

You can send us a message from your online Account.

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HOW TO COMPLAIN

There are different routes you can follow to make a complaint.

Speak to us first

Customer satisfaction is important to us. However, If you're unhappy with the way you have been treated, you always have the right to complain. You can write to us, or call at the address and number below:

The Ready Made Pension team
Lloyds Banking Group
12 Wellington Place
Leeds
LS14AP

Phone: **0330 123 3269**

Available Monday - Friday 9am to 5pm. Calls may be recorded for training and monitoring purposes.

Speak to the Financial Ombudsman Service (FOS)

If you're not happy with our response, you can raise your issue to FOS, using any of the contact methods below. This is free of charge.

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Phone: **0800 023 4567**

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

Speak to the Pension Ombudsman

If your complaint relates to the processing by us of your pension you could raise the issue with the:

Pension Ombudsman
10 South Colonnade Canary Wharf
London
E14 4PU

Phone: **0800 917 4487**

Email: **enquiries@pensions-ombudsman.org.uk**
Website: **pensions-ombudsman.org.uk**

Note: making a complaint won't affect your right to take legal action later on.

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DATA PROTECTION POLICY

We're authorised under Data Protection Legislation to maintain, process and store your personal information. We'll use this information to set up and administer your Account and for legitimate business reasons (including, but not limited to, the provision of information to a Group Company, contracted Third Parties, and Trusted Third Party Service providers including, Fund Managers, if they reasonably request such information from us).

We may also be required to share information with other companies or organisations, governmental bodies or regulatory bodies (including those outside the EEA) if required to do so by Applicable Law so that they can process it. The processing of any information by us shall be conducted in compliance with Data Protection Legislation and our Privacy Notice, which you can find at **www.embarkgroup.co.uk/halifax-privacy-notice**.

We'll otherwise keep your personal information confidential.

DEFINITIONS

Annual Allowance

This is the most you can save in your pension pots in a tax year (6 April to 5 April) before you've to pay tax.

Annuity

A retirement income product that provides a guaranteed regular payment, usually for life.

Anti Money Laundering

An international set of laws, regulations and procedures aimed at uncovering money that has been disguised as legitimate income.

Applicable Laws

All laws and Regulatory Requirements relevant to these Terms and Conditions including the FCA Rules.

Approved Bank

A bank of other financial institution, where we may deposit Client Money in line with the Client Money Rules.

Assets

The portfolio of Investments and uninvested cash held in your Ready-Made Pension Account.

Banking Partner

The bank(s) or building society(ies) we use to provide banking services for your Ready-Made Pension Account.

Business Day

Any day other than a Saturday, Sunday or an official Bank holiday.

Cash

Uninvested cash held within your Account, and the pot we deduct charges from.

Client Money

Money we receive and hold for you, in line with the Client Money Rules.

Client Money Rules

The FCA's Regulatory Requirements that concern the holding of Client Money.

Confirmation Schedule

A letter sent to inform you that your Ready-Made Pension is now open.

Conflicts of Interest Policy

Our policy on the management of conflicts of interest. It describes the steps we take to identify and manage conflicts that may arise.

Corporate Action

A rights issue, take-over, merger, capital re-organisation, subscription rights or similar event affecting any of the Investments in your Ready-Made Pension.

Deal

The purchase or sale of specified Investments for you.

Disinvestment Strategy

The rules and processes that are put in place by us that allow us to raise Cash.

Drawdown

Option to take a flexible income from your Ready-Made Pension while leaving the rest of your pension pot invested.

Document Library

A secure area in your online Account where you can access documents and communications.

Embark

Embark Investment Services Limited. Embark is the pension provider and operator of your Ready-Made Pension and provide you with pension administration services, covering the day-to-day running of your Account.

Embark Trustees Limited

The trustees of your Ready-Made Pension who look after the Investments and Cash on your behalf.

FCA

The Financial Conduct Authority.

FCA Rules

The rules of the Financial Conduct Authority.

FSCS

UK Financial Services Compensation Scheme.

Fund Manager

A person or team of people responsible for investing money in the fund in line with the stated investment objectives. We'll invest your Ready-Made Pension savings in funds.

HMRC

His Majesty's Revenue and Customs, responsible for collecting taxes.

Income

Money received in the form of dividends or distributions in relation to Investments held in your Account, or interest on Client Money we hold for you.

Investments

Assets (not Cash) held or to be held in your Account.

Key Features Document

Contains essential information about your Ready-Made Pension.

Lloyds Banking Group

The group of companies that has Lloyds Baking Group plc as its parent company. This includes Lloyds Bank, Halifax, Bank of Scotland, Scottish Widows and Embark Investment Services Ltd. More information on Lloyds Banking Group is available at **Lloyds Banking Group plc**.

Money Purchase Annual Allowance (MPAA)

The amount you can pay into your pension(s) and still receive tax relief once you've started taking money out of your pension(s).

Online Services

Service that allows you to access your Account and complete common transactions using your smartphone, tablet or computer.

Order

An instruction to execute a Deal within your Ready-Made Pension.

Regulatory Requirements

a. Any obligation that applies under any Applicable Laws or regulation (including any tax legislation or rules made by an applicable regulatory body and FCA Rules), or as the result of a decision by a court, Ombudsman or similar body; or

b. Any obligation under any industry guidance or codes of practice that we follow, or:

c. Any other legal or regulatory requirement, which in each case, is applicable to these Terms and Conditions and/or our provision of the service to you.

Scheme

The Embark Personal Pension registered with HMRC

Scheme Rules

A set of rules governing the terms of the Scheme.

Security Details

Any password, personal identification number or other confidential security information needed to access your Account and/or make transactions through the telephone or online service.

Settlement

The process where the buyer and seller complete the movement of cash and shares to finalise the Deal.

Settlement Date

The date on which the buyer and seller in relation to a Deal have to settle that Deal.

Terms and Conditions

This document, together with the additional documents stated to form part of these terms and conditions, which set out the terms of the agreement between you and Embark upon which the Ready-Made Pension is provided to you.

Trust Deed

A legal document that establishes the Scheme and sets out the responsibilities of the Scheme operator and the Trustee.

Unauthorised Payment

Payments made outside HMRC's tax rules which are classed as unauthorised and are liable to tax charges.

We/us

Embark, as your pension administrator.



Ready-Made Pensions are provided by Embark Investments Services Limited (EISL), which is a wholly owned subsidiary of Embark Group Limited. EISL, is a company incorporated in England and Wales (company number 09955930) and is authorised and regulated by the Financial Conduct authority (Financial Services Register number 737356).