

# THE AVIVA COMMERCIAL PROPERTY INVESTMENT (CPI)

PROVIDED BY CURTIS BANKS AS PART OF AN AVIVA PENSION PORTFOLIO

## Administrative Terms and Conditions

April 2024



This is a legally binding document between you, Aviva Pension Trustees UK Limited and Curtis Banks. It is part of a set of literature concerning the Aviva Commercial Property Investment, all of which should be read together:

- Key Features
- Application Form
- Schedule of Fees
- **Administrative Terms and Conditions**
- Privacy Information Notice
- Property Form
- Property Guide
- Property Disposal Guide
- Panel of Property Professionals

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This is an important document which sets out the terms and conditions of your Sub-Fund and how it will be operated. You should read the whole document from paragraph 1 to the end of paragraph 25.

As a member of the Aviva Pension Portfolio, you can ask the Trustees to invest in commercial property through the Aviva Commercial Property Investment, which is an arrangement established with Curtis Banks. These Administrative Terms and Conditions describe your relationship with Curtis Banks and how the arrangement will work. This is a legally binding document: please read it carefully and ensure that you are happy to be bound by it.

## 1 Introduction

- 1.1 These administrative terms and conditions (these “Administrative Terms”) relate to Aviva Commercial Property Investment. They form part of the policy (the “Policy”) issued by us to Aviva Pension Trustees UK Limited as the trustees of the Aviva Personal Pension Plan (the “Scheme”).
  - 1.2 By giving us instructions or issuing requests to us in relation to your Sub-Fund you, the Aviva Pension Portfolio member, will be confirming your acceptance of these Administrative Terms.
  - 1.3 In the event of any conflict between these Administrative Terms and the other terms and conditions of the Policy, these Administrative Terms will prevail.
  - 1.4 Some explanatory notes are highlighted by the use of information boxes which appear directly below the content and are marked with a \* symbol: these are intended to help explain the terms more clearly, but they do not form part of these terms and if there should be any conflict between the explanatory notes and these terms, these terms will take precedence.
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- \* These notes aim to provide helpful explanation, but they don’t have any legal effect.
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- 1.5 Suffolk Life Annuities Limited and SLA Property Company Limited are all part of the Curtis Banks Group.

## 2 Definitions and interpretation

- 2.1 In these Administrative Terms, references to “we” or “us” are references to Suffolk Life Annuities Limited of 153 Princes Street, Ipswich, Suffolk, IP1 1QJ, including any other member of the Curtis Banks Group acting as our agent. Subject to Paragraph 11.2, references to “you” are to you as a member of the Scheme for whom we have received a properly completed and signed Application Form. In addition, the following words and expressions have the meanings listed below:

### Expression What it means in this document

actuary	the actuary at the relevant time appointed by us in accordance with rules made by the Prudential Regulation Authority.
agent	a person whom you appoint in accordance with paragraph 11.1 to act on your behalf for the purposes of your Sub-Fund.
application form	a document, in such form as we may from time to time prescribe, containing details of and instructions or requests from you and signed by you or on your behalf.
bank	the bank or other approved credit institution(s) as we (or in respect of property investments or a former protected rights arrangement, Suffolk Life Annuities) may from time to time decide.
bank account records	our bank account records for your Sub-Fund. Your SIPP bank account records are a notional account. This will comprise monies held in respect of your Sub-Fund in one or more pooled bank accounts. Monies will therefore be pooled with the monies of other members of the scheme.
building works	includes, but is not limited to the construction, development, renovation, or redecoration of the property and any works required at the end of a tenancy agreement.
business day	any day (other than a Saturday or a Sunday) on which banks are generally open in London for transacting normal banking business.
client	an individual who holds a Curtis Banks Group product that invests in a property in accordance with Paragraph 6 (or such a product is held in respect of the individual).
connected party	a connected person as defined in section 993 of the Income Tax Act 2007. This includes amongst others: <ol style="list-style-type: none"> <li>a. you, your spouse, registered civil partner, children, parents, siblings and other direct descendants and ancestors of you and your spouse or registered civil partner;</li> <li>b. in respect of an investment in property, any syndicated members, and their relatives as in a. above;</li> <li>c. a company of which an individual (or individuals) in a. and b. control 20% or more of the shares.</li> </ol>

<b>costs</b>	includes charges, fees and expenses.
<b>Curtis Banks Group</b>	Curtis Banks Group plc, registered in England and Wales under company number 07934492 of 3 Temple Quay, Temple Back East, Bristol, BS1 6DZ, and any of its subsidiaries or holding companies, or any subsidiary of any such holding company. “Subsidiary” and “holding company” have the meanings given to them in Section 1159 of the Companies Act 2006.
<b>group investment agreement</b>	where a property is held on behalf of more than one client, an agreement between the syndicated members, or the syndicated members and us, setting out each client’s ownership share and the process that will be followed should any of the clients wish to sell the property or their share in it.
<b>investment</b>	any property (including land and interests in land) or cash deposits.
<b>lead member</b>	the client chosen by the clients to liaise with the syndicated members and to provide all instructions to us in relation to a property. You will be the lead member where you are the sole client.
<b>market value</b>	the price an investment may reasonably be expected to fetch on the open market calculated in accordance with section 272 of the Taxation of Chargeable Gains Act 1992.
<b>nominee</b>	where we have a partial interest in the property, the individual, company or other legal entity who is the legal owner of the property.
<b>pooled bank account</b>	an account with a bank opened by us that holds monies in respect of your Sub-Fund and other members of the scheme.
<b>premium</b>	an amount paid to us by the Trustees under the Policy in accordance with Paragraph 3.3 for allocation to your Sub-Fund.
<b>product particulars</b>	“Property Guide for the Aviva Commercial Property Investment”, “Key features of the Aviva Commercial Property Investment” and “Curtis Banks Schedule of Fees for use with the Aviva Commercial Property Investment”
<b>property</b>	includes buildings, land and interests in buildings and land.
<b>property bank account records</b>	our bank account records for your property. The property bank account records are a notional account. This will comprise monies held in respect of a property in one or more property pooled bank accounts. Monies held will therefore be pooled with the monies of other members of the scheme.
<b>property manager</b>	a RICS registered surveyor or professional property management firm who is appointed by us to manage the property.
<b>property pooled bank account</b>	an account with a bank opened by us that holds monies in respect of your property and other members of the scheme.
<b>RICS</b>	the Royal Institution of Chartered Surveyors.
<b>scheme sanction charge</b>	a tax charge as provided for in Part 4 of the Finance Act 2004.
<b>SLA Property Company</b>	SLA Property Company Limited, registered in England and Wales under company number 1203396 of 153 Princes Street, Ipswich, IP1 1QJ.
<b>taxable property</b>	assets that attract a tax charge if held directly or indirectly (i.e. within certain investments unless covered by specific exemptions) by your SIPP which includes residential property and physical assets such as cars, art or stamps.
<b>tenancy agreement</b>	a written agreement between a landlord and tenant setting out the terms of the occupation.
<b>third party professional</b>	a solicitor and other legal professional, valuer, architect, contractor, contract administrator, project manager, property manager, bailiff, accountant, tax specialist, lender, building surveyor, energy consultant or other professional as appropriate. Such professional may be a wholly owned subsidiary of the Curtis Banks Group.
<b>trustees</b>	the trustees of the Scheme for the time being.
<b>unauthorised payment charge</b>	means a tax charge as provided for in Part 4 of the Finance Act 2004.
<b>valuer</b>	an independent valuer registered with RICS.
<b>your Sub-Fund</b>	means the commercial property Investment fund set up for your Aviva Pension Portfolio pursuant to Paragraph 3.1.

- 2.2 All references to Paragraphs are, unless expressly stated to the contrary, references to paragraphs of these Administrative Terms.
- 2.3 The singular includes the plural and vice versa. The masculine includes the feminine.
- 2.4 Any reference to a statute includes any re-enactment or modification of it and any regulations made under it.
- 2.5 Headings are used in these Administrative Terms for ease of reference and are to be ignored in construing these Administrative Terms.

### 3 Sub-Fund

- 3.1 If you wish to use the Commercial Property Investment option under the Policy, you must first complete and sign an Application Form and deliver it to the Trustees. After we receive a properly completed and signed Application Form for you from the Trustees, we will set up a commercial property investment fund for you (your Sub-Fund) to which benefits under the Policy will be linked. Your Sub-Fund will relate only to you and will be available only in relation to the Policy.
- 3.2 On receipt:
- monies (other than in respect of your property SIF) are deposited in a pooled bank account; and
  - monies in respect of your property SIF are deposited in a property pooled bank account.
- We will notionally record the relevant amount in your SIPP bank account records or in your property SIF bank account records as appropriate. When we pay money out of the pooled bank account or the property pooled bank account on your behalf, we will record this by debiting the relevant amount in your SIPP bank account records or your property SIF bank account records as appropriate.
- 3.3 You can ask the Trustees to pay part of the monies that they hold for you under the Scheme to us for allocation to your Sub-Fund. Until we receive cleared funds, they are not our assets for the purposes of the Policy or your Sub-Fund.
- 3.4 Cleared credit balances in the:
- pooled bank accounts that are credited to your SIPP bank account records; and
  - property pooled bank accounts that are credited to your property SIF bank account records
- may earn interest.
- The basis of the rate of interest your SIPP received will be as set out on our website at [www.curtisbanks.co.uk/bank-interest](http://www.curtisbanks.co.uk/bank-interest). Any credit balance on your property SIF bank account records is not aggregated with a credit balance on your SIPP bank account records in calculating interest rates. We retain some of what's earned so we can keep our charges low, as well as investing in our technology and propositions and in providing higher service levels. Our aim is to deliver excellent financial outcomes for our customers, and ultimately help make their retirement more rewarding.
- 3.5 Where the rate of interest earned by the pooled bank accounts or the property pooled bank accounts is less than the interest paid by the banks to us across all such accounts we have with them, we will keep the difference.
- 3.6 We may change the basis of interest and the interest rates applying to the pooled bank accounts and property pooled bank accounts (which will affect the amount creditable to your SIPP bank account records and your property SIF bank account records). Any change will reflect in our and Suffolk Life Annuities' reasonable opinion, a proportionate response to any change made by the bank to the basis or rates of interest paid by the bank to the Curtis Banks Group. We will give you as much notice as reasonably possible before changing the basis of interest or decreasing the interest rate. This will generally be at least 30 days' notice.
- 3.7 For the effective operation of your SIPP:
- we require you, at the time of making an investment or on transferring money to an investment manager, to maintain a minimum balance of £1,000 and any additional sum as will be notified to you in writing, in the pooled bank accounts and, if appropriate, in the property pooled bank accounts (as recorded

in your SIPP bank account records), appropriate to the regular transactions in your SIPP (e.g. drawdown income payments, loan repayments, business rates, insurance, any fees including our fees, etc);

b. you are required to ensure that there is sufficient money in the pooled bank accounts (as recorded in your SIPP bank account records) and the property pooled bank account (as recorded in your property SIF bank account records) to meet any expected single or regular payments (including our fees). If there is insufficient money notionally recorded in your SIPP bank account records or your property SIF bank account records to make such payments, including payment of any benefits to you or payment of fees to your appointed agent, we may not make the payment;

c. you agree that we may instruct an investment manager to transfer monies held in a bank account operated by the investment manager to a pooled bank account to meet the liabilities of your SIPP; and

d. you agree that we may transfer monies credited to a pooled bank account (and recorded against your SIPP bank account records) into your property SIF in accordance with paragraph 7.5.

3.8 We will open pooled bank accounts and property pooled bank accounts with institutions that we have approved. These accounts will hold funds in sterling and will be with UK-authorised institutions legally able to accept deposits (as listed in the Financial Services Register) selected by us using rigorous due diligence processes. Details of the banks holding pooled bank accounts and property pooled bank accounts in respect of your Sub-Fund are available from us on request.

3.9 Where we place money with a bank, we will use reasonable skill and care in selecting the bank's appointment but are not liable for the acts or omissions, insolvency or dissolution of the bank.

3.10 In the event of a default by a bank holding monies in a pooled bank account or a property pooled bank account, your Sub-Fund will share proportionately in any shortfall in the pooled bank account and property pooled bank account. We or you may be able to claim under the Financial Services Compensation Scheme. Paragraph 22 provides further details.

3.11 You can ask us to invest your Sub-Fund (including amounts credited to the bank account) in accordance with paragraphs 5, 6 and 7. Until you give us instructions, the relevant amounts will continue to be held in the pooled bank account. Unless you have instructed us otherwise, we will review the amounts credited to your bank account records and property bank account records from time to time and may transfer sums back to the Trustees of your Aviva Pension Portfolio to be held by them if we believe that such sums are not reasonably required to be retained to meet anticipated expenses or disbursements in connection with investments held by your Sub-Fund. We will tell you if we do this.

3.12 Your Sub-Fund will be part of the fund maintained by us for the purpose of our long-term insurance business (as defined by the Financial Conduct Authority and the Prudential Regulation Authority). Benefits under the Policy which are linked to your Sub-Fund will be determined wholly by reference to the value of the assets and liabilities which we hold in respect of your Sub-Fund, including the balance on the bank account records and property bank account records. These assets and liabilities are notionally allocated to your Sub-Fund but neither you nor the Trustees have any legal or beneficial interest in them or in your Sub-Fund. All references in these Administrative Terms to assets and liabilities of your Sub-Fund are to be construed accordingly.

3.13 Any investment income or capital gains arising from the assets of your SIPP and interest earned on the balance of your SIPP bank account records and your property SIF bank account records will be credited to, and form part of, the assets of your SIPP. Any loan or interest expense relating to your SIPP will be debited to, and form part of, the liabilities of your SIPP.

3.14 A member of the Curtis Banks Group may receive discounts, rebates, commissions or other payments relating to the investments of your Sub-Fund. In this event, we will have notified you prior to our entitlement arising relating to the investments of your Sub-Fund. The amount will not be credited to your Sub-Fund but will be retained by the relevant member of the Curtis Banks Group.

## 4 Payment of premiums

- 4.1 Subject to Paragraph 4.2 and as otherwise provided in these Administrative Terms, you may instruct the Trustees to pay us premiums for allocation to your Sub-Fund at any time.
- 4.2 The Trustees must comply with any restriction on the minimum amount of any premium payment and any other requirements relating to premium payments specified in the product particulars or made under these Administrative Terms.
- 4.3 Subject to the Trustees' and our agreement on each occasion, a premium may be paid by a transfer to us of assets. The terms of any such transfer, including the payment of costs, will be as agreed between you, us and the Trustees.

## 5 Investment instructions

- 5.1 You may give instructions to us to acquire investments for your Sub-Fund. This is subject to:
- the limitations set out in the product particulars on the types of investment that may be acquired;
  - the minimum amount of any investment set out in the product particulars;
  - the retention by your Sub-Fund of any minimum balance on the bank account outlined in the product particulars;
  - the completion by you of additional documentation if requested by us;
  - the legislation applicable to insurance companies;
  - all other relevant statutory provisions;
  - any other provisions of these Administrative Terms.
- 5.2 If you instruct us to, we will instruct the sale or encashment of some or all of the investments of your Sub-Fund as selected by you and apply the proceeds of sale or encashment, less any appropriate charge (and the expenses of sale), in the purchase of further investments in accordance with your instructions. The proceeds of any sale or encashment will not be reinvested until such time as cleared monies have been credited to a pooled bank account. Any reinvestment will be subject to these Administrative Terms. Pending reinvestment, any cash proceeds received by us will be credited to the bank account.
- 5.3 We will be entitled not to acquire an investment in accordance with your instructions if:
- your instructions are not given or, if we request it, confirmed to us in writing; or
  - insufficient cleared funds are available in relation to your Sub-Fund; or
  - the amount to be invested would be less than any minimum investment size determined by us from time to time; or
  - in our reasonable opinion, the acquisition of the investment is impossible, unlawful or contrary to any agreement by which we are bound, or to any applicable court order; or
  - we have given the Trustees notice to encash the whole of your Sub-Fund in accordance with these Administrative Terms and in our reasonable opinion it is not possible to complete the purchase of the investment before the date on which the Trustees are required to encash your Sub-Fund; or
  - in our reasonable opinion, the purchase of the investment may impose tax or other costs on any member of the Curtis Banks Group or expose any member of the Curtis Banks Group to liabilities which in each case your Sub-Fund may not be able to meet; or
  - in our reasonable opinion, making or holding the investment would give rise to an unauthorised payment charge and/or a

scheme sanction charge; or

- in our reasonable opinion, making or holding the investment may expose any member of the Curtis Banks Group or their directors or employees or members of their families to threats of or actual violence.

We will tell you and the Trustees if we do not acquire an investment in accordance with this paragraph.

- 5.4 If you have not given us any instructions as to the investment or application of the whole or any part of any monies allocated to your Sub-Fund or if any such instructions cannot be implemented, or pending implementation of any instructions, the relevant monies will be held in the pooled bank account.

- 5.5 We will be entitled not to dispose of an investment in accordance with your instructions if:

- your instructions are not given or, if we request it, confirmed to us in writing; or
- in our reasonable opinion, the disposal of the investment is impossible, unlawful, impracticable or contrary to the terms of any agreement by which we are bound, or to any applicable court order.

We will tell you and the Trustees if we do not dispose of any investment in accordance with this Paragraph 5.5.

- 5.6 We will be entitled to dispose of any investment of your Sub-Fund without consultation with you or your prior agreement:

- if, in our reasonable opinion, continued retention of the investment would be unlawful or would impose tax or other costs on us or your Sub-Fund or expose us or your Sub-Fund to liabilities which in each case your Sub-Fund may not be able to meet; or
- we need to dispose of the investment to meet any fees or charges payable from your Sub-Fund which we may otherwise not be able to meet from your Sub-Fund; or
- if the investment is no longer of a type allowed by the then current product particulars; or
- if disposal of the investment is required by the terms of any applicable agreement, for example a co-ownership agreement; or
- (and if we are so requested by the Trustees) the continued retention of the investment would give rise to an unauthorised payment charge and/or a scheme sanction charge; or
- in order to comply with the terms of a court order.

We will tell you and the Trustees if we dispose of any investment under this Paragraph 5.6.

- 5.7 Neither we nor any other member of the Curtis Banks Group will be responsible for any loss (including loss of profit) in relation to or reduction in value of any investment:

- acquired at your request unless such loss or reduction results from fraud, wilful misconduct, negligence or breach of regulatory duty on the part of any member of the Curtis Banks Group, or the fraud, wilful misconduct, negligence or breach of regulatory duty of any of their employees or agents; or
- not acquired or not disposed of in accordance with our rights under these Administrative Terms;
- disposed of in accordance with these Administrative Terms unless such loss or reduction results from the fraud, wilful misconduct, negligence or breach of regulatory duty of any member of the Curtis Banks Group, or the fraud, wilful misconduct, negligence or breach of regulatory duty of any of their employees or agents; or
- which results from any action or omission of any nature whatsoever by any nominee, banker or other person providing services to any member of the Curtis Banks Group.

- 5.8 Neither we nor any member of the Curtis Banks Group nor the

Trustees will be under any duty to consider, or advise on, the general or specific merits, suitability or appropriateness of any actual or proposed investment purchase or disposal and therefore you do not benefit from the rules on assessing suitability.

## 6 Investments in property

- 6.1 In Paragraphs 6.1 to 6.78, reference to **we, us, our** or **ourselves** also include references to **SLA Property Company**.
- 6.2 Where **we** are to acquire the whole of a **property**, **we** will be the legal owner of the **property**. Legal ownership may then be transferred to **SLA Property Company** who will be registered as the legal owner at the relevant land registry.
- 6.3 Where **we** are to acquire a partial interest in a **property**, the **nominee/joint title holder** will be the legal owner of the **property** and will be registered as the legal owner at the relevant land registry. The **nominee/joint title holder** will hold our interest in the **property** on trust for us under terms set out within an agreement between us, the **nominee/joint title holder** and any other party with an interest in the **property**. This agreement will outline the shares in the **property** that each party has and the responsibilities of the **nominee/joint title holder**.

### Property acquisition

- 6.4 On receipt of the original of a fully completed *property form* giving details of the **property** and how the proposed purchase or transfer is to be funded, including details of any **syndicated members** and your choice of **third party professionals**, we will begin the process of acquiring the **property** (or a partial interest in the **property**).
- 6.5 A **property** (or a partial interest in a **property**) to be acquired from a **connected party** must be acquired at the **market value** that has been advised to us by a **valuer** in accordance with Paragraphs 6.59 to 6.60.
- 6.6 **You**, the **Trustees** and any **syndicated members** cannot commit us to purchase a **property** at auction unless we have completed our due diligence in advance of the auction and we have provided our consent. The **lead member** must therefore contact us at least 4 weeks in advance of the relevant auction. As we are reliant on **third party professionals**, we cannot provide any guarantee that all requirements will be satisfied or due diligence completed before the date of the auction or that we can complete the purchase within the timeframe required by the auctioneer.
- 6.7 **You**, the **Trustees** and any **syndicated members** cannot commit us to a date of exchange or completion of the acquisition. These dates will be determined by us. We will not be liable for any losses or liabilities arising as a result of failure to meet a timeframe determined by any client.
- 6.8 We will only exchange contracts (or agree to the exchange of contracts) if:
- a. we hold sufficient cleared monies to proceed with the acquisition (including through a loan agreed in accordance with Paragraphs 6.14 to 6.18);
  - b. a report on title in a form acceptable to us is received confirming that:
    - i. the title to the **property** is good and marketable;
    - ii. the appropriate search results are satisfactory;
    - iii. all prior detrimental terms will be removed on completion of the acquisition; and
    - iv. all rights and reservations have been appropriately dealt with.
  - c. we receive confirmation that:
    - i. a **tenancy agreement** is in place for each tenant occupying the

- i. **property** with terms acceptable to us; or
  - ii. a **tenancy agreement** in our standard form will be put in place on completion; or
  - iii. the **property** is vacant and the provisions of Paragraphs 6.49 and 6.50 apply;
- d. a valuation in accordance with Paragraphs 6.59 to 6.62 has been received;
  - e. all applicable documents including where appropriate:
    - i. the loan agreement and related documents; and
    - ii. an agreement with the **property manager** on our terms are signed and validly in place (or will be completion);
  - f. there are no known environmental issues highlighted within the environmental report at the time of acquisition;
  - g. the **property** can be insured on terms acceptable to us;
  - h. an Asbestos Survey and an Asbestos Register and Management Plan where required have been prepared by a suitably qualified person in accordance with the Control of Asbestos Regulations 2012;
  - i. a valid energy performance certificate (where relevant) has been received by us and the clients comply with our requirements at that time for the acquisition of a **property**; and
  - j. where the **property** is to be VAT elected or transferred as a going concern, we have received all of the required information and confirmations from **third party professionals** to enable the transaction to proceed.

- 6.9 Where we are to acquire the whole of the **property**, then:
- a. upon exchange of contracts, we will make arrangements for insuring the **property** as set out in Paragraphs 6.64 to 6.68.
  - b. upon completion we will arrange for the title deeds to be held by a **third party professional**.
- 6.10 We reserve the right not to proceed with the **property** acquisition at any point in the acquisition process due to the **property** failing to meet our due diligence requirements or if any of the information on the *property form* is found to be materially incorrect.

### Joint investors

- 6.11 Upon completion of our acquisition of a **property** (or of our partial interest in a **property**) to be held on behalf of more than one client, you agree to complete a **group investment agreement** with your **syndicated members** confirming the share (and where appropriate, the share of any loan) attributed to each client's pension.
- 6.12 You will nominate a **lead member** as a point of contact for us. You agree that any decision made by the **lead member** will be binding on you and that any correspondence we send to the **lead member** shall be considered as having been sent to you.
- 6.13 The **lead member** can be changed by all **syndicated members** giving written confirmation to us. Where we consider that the **lead member** is not fulfilling this role or is unable to fulfil this role, we will correspond with all clients and a replacement **lead member** must be appointed. Where agreement between the clients cannot be reached, we reserve the right to dispose of the **property** in accordance with Paragraphs 6.76 to 6.78.

## Borrowing

6.14 Borrowing will only be permitted for sums which are within the limits set out in section 182 of the Finance Act 2004. Borrowing is only allowed for the purpose of **property acquisition or building works** or the refinancing of existing borrowing.\*

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\* You can borrow up to 50% of the net fund value of your Aviva Pension Portfolio calculated at the time of the borrowing. This includes any existing borrowing. Your Sub-Fund can't borrow from another client's pension.

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6.15 The borrowing must:

- a. be arranged by:
  - i. us (or SLA Property Company) where we acquire the property; or
  - ii. the nominee in its name where we acquire a part interest in the property; and
  - iii. the joint title holders where we acquire a part interest in the property; and
- b. be from a UK commercial high street lender on terms and servicing acceptable to us including our liability under the loan for your Sub-Fund's share of the loan being limited to the value of the assets of your Sub-Fund.\*
- c. borrowing from a connected party to the SIPP is permitted for the purpose of a short term VAT loan, not to exceed seven months. A pro forma loan agreement must be utilised, which details our requirements. Evidence must be provided to demonstrate the interest payable is reflective of current high street lender terms.

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\* The property may be repossessed by the lender if you or your syndicated members do not make money available to keep up repayments on the loan. The lender may be entitled to change fees for missed or late payments.

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6.16 Where the property is to be held on behalf of more than one client, each client's share of the loan payments will be paid in proportion to the client's share of the loan.

6.17 We reserve the right to refuse to arrange a loan if:

- a. we consider that the rental income from your Sub-Fund's share of the property is insufficient to cover ongoing costs; or
- b. the property is vacant and a float acceptable to us is not put in place.

6.18 For properties owned by us, we will require your written request and agreement from the lender if you wish to pay a lump sum towards or redeem the loan or your Sub-Fund's share of the loan. Where a property is held on behalf of more than one client and a part repayment is requested our written agreement is also required.\*

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\* We have a fact sheet on 'Lump sum loan repayments and loan redemptions'. Please ask us or your adviser if you would like a copy.

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## Third party professionals

6.19 After the acquisition of the property, for subsequent transactions and day-to-day management relating to the property, the lead member will be required to specify the clients' choice of third party professionals in writing to us. We reserve the right to select a third party professional if we have not received the clients' choice within a reasonable period of time from our request.

6.20 We must instruct the third party professional as we will be the third party professional's client.

6.21 Sufficient money must be available in the property pooled bank account (as recorded in your property bank account records) to cover your Sub-Fund's share of the costs of the third party professionals before we will instruct them.

6.22 We cannot guarantee the service of third party professionals. If we or you are dissatisfied with the service provided, we may make a claim or complaint as appropriate.

6.23 We require the lead member's written instructions to enable us to replace the third party professional.

6.24 We reserve the right to:

- a. in exceptional circumstances appoint a third party professional without your or your syndicated members' approval of:
  - i. the third party professional, or
  - ii. the third party professional's costs;
- b. refuse to appoint a third party professional of you or your syndicated members' choice:
  - i. that is not appropriately qualified; or
  - ii. due to any experience of poor past performance of that third party professional;
- c. terminate the appointment of a third party professional where the service provided to us is not adequately protecting our interest and in such instances we will request an alternative choice of third party professional from the lead member.

6.25 We reserve the right not to attend any meetings, mediation, hearings or conferences in relation to the management of, or disputes relating to, the property. We may require that a third party professional is appointed to attend on our behalf.

## Property management - properties owned by us

6.26 Paragraphs 6.27 to 6.33 will apply where the property is owned by us.

6.27 For a property owned by us:

- a. the lead member may request us in writing to appoint a property manager.
- b. we will require a property manager to be appointed where there are:
  - i. obligations within the tenancy agreement that cannot be or are not delegated to the tenant;
  - ii. residential parts of the property; or
  - iii. common areas of the property such as stairwells or shared facilities.

6.28 Where we have appointed a property manager:

- a. the property manager must enter into an agreement with us on our terms; and
- b. we reserve the right to terminate the appointment of a property manager where they fail to comply with the terms of their appointment.

6.29 We will be responsible for the following activities:

- a. maintaining records relating to the property;
- b. dealing with tenant and third party enquiries;
- c. arranging and renewing the property insurance in accordance with Paragraphs 6.64 to 6.69;
- d. arranging valuations of the property in accordance with Paragraphs 6.60 to 6.63.
- e. settling loan payments in accordance with Paragraphs 6.14 to 6.18;
- f. where applicable, reclaiming or paying VAT for VAT elected properties on receipt of a VAT invoice addressed to us;



- g. managing building works in accordance with Paragraphs 6.51 to 6.59;
  - h. where the property is leasehold, complying with the obligations on us to the freeholder of the property;
  - i. taking appropriate action where a breach of the tenancy agreement has been identified;
  - j. settling your Sub-Fund's share of all costs that are not the responsibility of the tenant on receipt of an appropriate invoice;
  - k. invoicing and collecting rent and other sums due under the tenancy agreement and where required, pursuing any late payments in accordance with normal commercial arrears processes; and
  - l. managing all tenancy events and tenant transactions which require our consent under the tenancy agreement, including but not limited to:
    - i. rent reviews;
    - ii. renewals;
    - iii. surrenders; and
    - iv. assignments.
- 6.30 Where we have appointed a property manager, the property manager will carry out activities set out in Paragraph 6.29 on our behalf in accordance with the terms of their appointment.
- 6.31 Property inspections must be undertaken by third party professionals we appoint in accordance with these terms.
- 6.32 You have a responsibility to inform us (or where appropriate the property manager) of any material issues or changes to the property of which you should reasonably be aware. We may require an inspection to be undertaken if we have concerns about the property condition or occupancy status.
- 6.33 We (or the property manager on our behalf) will manage the property in a way that does not present undue legal, commercial, environmental or reputational risk to us as determined by us at our sole discretion. Where appropriate, this will be after consultation with the lead member but we will not be obliged to take into account any representations any client gives to us. We will advise the lead member in a timely fashion of any decisions we make.

## Property management - properties owned by a nominee

- 6.34 Where the property is owned by a nominee, the nominee is responsible for the management of the property. We will:
- a. maintain records relating to the property;
  - b. deal with nominee and third party enquiries;
  - c. receive sums from and pay sums to the nominee that are due under the terms of the agreement between us, the nominee and any other party with an interest in the property
  - d. obtain the accounts relating to the property from the nominee on a regular basis and reconcile the accounts;
  - e. either:
    - i. where the nominee is responsible for the insurance of the property, obtain and record details of the insurance; or
    - ii. where we and the nominee agree that the property will be insured on our block insurance policy, arrange and renew the insurance in accordance with Paragraphs 6.64 to 6.69; and
  - f. request the nominee to arrange valuations of the property in accordance with Paragraphs 6.60 to 6.63.
- 6.35 If the nominee is in default of its obligation to pay to us, any sum due under the agreement between us, the nominee and any other party with an interest in the property, your Sub-Fund will bear its share of the costs associated with pursuing the nominee for the sum due.

## Property management - properties held under joint title ownership structure

- 6.36 Where the property is owned by joint title holders, the joint title holders are responsible for the management of the property. We reserve the right to appoint a property manager and/or accountant.
- We will:
- a. maintain records relating to the property;
  - b. deal with third party enquiries;
  - c. receive sums from and pay sums to the accountant/property manager that are due under the terms of the agreement between us and any other party with an interest in the property;
  - d. obtain the accounts relating to the property from the accountant/property manager on a regular basis and reconcile the accounts;
  - e. either:
    - i. where the accountant/property manager is responsible for the insurance of the property, obtain and record details of the insurance; or
    - ii. where we and the joint title holders agree that the property will be insured on our block insurance policy, arrange and renew the insurance in accordance with paragraphs 10.66 to 10.69; and
  - f. request and arrange valuations of the property in accordance with paragraphs 10.60 to 10.63.
- 6.37 If the accountant/property manager is in default of its obligation to pay to us any sum due under the agreement between us and any other party with an interest in the property, your property SIF will bear its share of the costs associated with pursuing the accountant/property manager for the sum due.

## Occupation of the property

- 6.38 Occupation of the property is not permitted without a tenancy agreement being in place on terms agreeable to us. The tenancy agreement should be a full repairing and insuring lease where appropriate.
- 6.39 In respect of a property that is owned by us, we will be the landlord under the tenancy agreement. Where the property is owned by a nominee/joint title holder, the nominee/joint title holder will be the landlord.
- 6.40 You agree to notify us if a tenant is a connected party.
- 6.41 Where a connected party is the tenant, the tenancy agreement and activities relating to it must be carried out at an 'arm's length transaction' basis on the advice of a valuer in accordance with Paragraphs 6.60 to 6.62.
- 6.42 We do not undertake credit checks on tenants and will not be liable for any losses associated with the failure of any tenant to meet the obligations contained within the tenancy agreement.
- 6.43 We reserve the right to require that a guarantor be a party to the tenancy agreement or a rent deposit be made and documented by way of a rent deposit deed.
- 6.44 If a tenant is in default of its obligation to pay amounts due under the tenancy agreement, your Sub-Fund will bear its share of the costs associated with pursuing:
- a. the tenant (where we own the property); or
  - b. the nominee (where we hold a partial interest in the property)
- for the arrears and where appropriate, bringing the tenancy agreement to an end. We will always pursue arrears in respect of a tenant who is a connected party unless advice from an appropriate third party professional is received which allows us to write-off all or part of the arrears.\*

\* If there are rent arrears or the property is let to a connected party and the rent is not set at market value or pursued commercially, tax charges may be levied by HMRC against you personally and against the Scheme. These charges will also apply to any rent paid to you personally and not paid into your Sub-Fund.

- 6.45 Where the tenancy agreement contains a rent review and the tenant is not a connected party, the clients can choose to waive the right to the rent review by the lead member informing us in writing in good time before the rent review is due.
- 6.46 Where the tenancy agreement contains a rent review and the tenant is a connected party, a valuer must confirm to us whether it is reasonable or not to proceed with the rent review.
- 6.47 Where we are required or requested to undertake a tenancy transaction which requires our consent as landlord, the lead member will be required to inform us of the chosen third party professionals to advise us and document the terms of the transaction.
- 6.48 Where a tenant is a connected party and remains in occupation of the property following the expiry of the tenancy agreement, we reserve the right to instruct third party professionals of our choice to deal with and document a new tenancy agreement or secure possession of the property as appropriate.

## Vacant property

- 6.49 Where either the whole or part of a property is vacant:
- your Sub-Fund will be responsible for meeting your Sub-Fund's share of the costs associated with that vacant part;
  - you will be required by us to maintain a float in the property bank account records for this purpose. The float required in your property bank account records will be advised by us to you during the acquisition process or following the vacation of the property by the tenants and will be dependent on the potential liabilities of the property to be met on an ongoing basis;
  - the property must be kept secure and in accordance with the property insurance notes if applicable;
  - a key must be made available to us or our agent on request; and
  - any occupying person or party will be considered a trespasser and where we own the property, we will appoint a third party professional of our choice to recover possession of the property or formalise the occupation by way of a tenancy agreement.
- 6.50 Where we own the property and a property manager has not been appointed and either the whole or part of the property becomes vacant we:
- may appoint a third party professional of our choice to ensure that the obligations for the upkeep of the property and the requirements of the property insurance notes are complied with; and
  - will appoint a third party professional of our choice to undertake any works or action to ensure compliance with statutory requirements or to mitigate any undue legal, environmental or commercial risk.

## Developing property

- 6.51 Building works may only be undertaken with our prior written agreement.
- 6.52 Before we will agree to proceed with building works we require that:
- any appropriate statutory permissions, regulatory requirements, including planning, are obtained by the clients or an appropriate third party professional;

- you obtain quotes from at least two independent contractors which are addressed to us (or the nominee/joint title holder in the case of our part interest in a property);
  - your Sub-Fund's share of the money required for the building works and any associated VAT are in your property bank account records or lending has been arranged in accordance with Paragraphs 6.14 to 6.18 before the contracts are signed by us or the nominee/joint title holder and the building works are started. This money can only be used for building works at the property as previously agreed by us and will be ring-fenced for this purpose; and
  - appropriate third party professionals are appointed to act on our behalf and document the transaction accordingly.
- 6.53 Where we own the property, any contractor must:
- be a member of the Construction Industry Scheme or equivalent to regulate the appointment of the contractor;
  - work to a fixed price; and
  - use and agree to our standard contract documentation.
- 6.54 You agree to notify us if a contractor is a connected party.
- 6.55 Where a contractor is a connected party, we may require advice from an appropriate third party professional to confirm that the building works have been priced at a fair and commercial rate and the extent of the contracting services is reasonable.
- 6.56 VAT payable on building works can only be recovered by us where the necessary VAT exemption over the property has been waived by us in advance of the building works commencing and an invoice from the relevant party addressed to us is received by us.
- 6.57 We require that any proposed building works must maintain or add capital and/or rental value to the property. A valuer will be required to advise us of and document the new rental value which if applicable, must take effect immediately on completion.
- 6.58 Building works must not result in the property becoming taxable property. Although your Sub-Fund can pay for your Sub-Fund's share of the cost of obtaining residential planning permission, this planning permission cannot be acted on.
- 6.59 If any of Paragraphs 6.51 to 6.58 is not complied with, we reserve the right to refuse to settle any cost associated with the building works undertaken or anticipated.

## Valuations

- 6.60 A valuation of the property will only be accepted from a valuer and must be addressed to "Curtis Banks". The valuation should be in accordance with RICS Valuation - Professional Standards (the 'Red Book') and we must be the party instructing the valuer to ensure our requirements are met.
- 6.61 A current capital market value and/or current reinstatement valuation of the property will be required:
- before we acquire a property (or a part interest in a property);
  - when we dispose of a property (or a part interest in a property);
    - to a connected party; or
    - in accordance with a group investment agreement;
  - for insurance purposes in accordance with the property insurance notes;
  - where there are building works at the property in accordance with Paragraphs 6.51 to 6.59;
  - if you wish to take pension benefits (or a syndicated members wishes to take pensions benefits from their pension);
  - if you are taking capped drawdown and your income limits are to be reviewed (or the equivalent applies to a syndicated members under their pension); or
  - at any other time to comply with HMRC or legislative requirements.

- 6.62 A current rental valuation of the property will be required:
- for a new **tenancy agreement**, surrender, renewal or variation of a **tenancy agreement** where the tenant is a **connected party**;
  - for rent reviews in accordance with the **tenancy agreement** and Paragraphs 6.44 and 6.45;
  - for the purpose of rent concessions and rent payment plans; or
  - where there are **building works** at the **property** in accordance with Paragraphs 6.51 to 6.59;
- 6.63 Where we are acquiring a **property** (or a partial interest in a **property**) that is subject to on-going **building works**, we require that the **valuer** re-inspects the **property** prior to completion of the acquisition in order to confirm that the **building works** have been carried out or are being carried out to the agreed standard.

## Insurance

- 6.64 Unless another party is responsible for the insurance of the **property**, all properties owned by us will be insured on our block insurance policy on terms as determined by us and set out in the *property insurance notes*.
- 6.65 The insurance premiums will be payable from your **Sub-Fund** and will be re-charged to the tenant(s) where provided for within the **tenancy agreements(s)**.
- 6.66 In the event that a claim is made on the policy and this is rejected by the insurer, we do not accept any liability for any resulting loss to your **Sub-Fund**.
- 6.67 It is the **clients'** joint responsibility to keep us informed of all significant changes relating to the **property's** occupation or upkeep. Failure to do so may invalidate the insurance cover and we and the **Trustees** do not accept any liability for any resulting loss to your **Sub-Fund**.
- 6.68 We reserve the right to change the block insurance policy provider at any time without notice to you.
- 6.69 Where a **property** is owned by a **nominee**, insurance of the **property** will be the responsibility of the **nominee** unless we and the **nominee** agree that the **property** will be insured on our block insurance policy.

## Disposal of a property

- 6.70 You may request in writing that we dispose of the whole or part of a **property** or a part interest in a **property**.
- 6.71 We will only agree to dispose of part of a **property** where that part is capable of being physically split from the remainder of the **property**.
- 6.72 You may request us to dispose of your **Sub-Fund's** share in a **property** where that part is to be transferred to another pension provided by us in accordance with the **group investment agreement**.
- 6.73 You agree to notify us if the disposal is to be to a **connected party**.
- 6.74 Where the disposal of the **property** is to a **connected party**, a valuation of the **property** must be undertaken in accordance with Paragraphs 6.60 to 6.61.
- 6.75 Where a tenant is a **connected party** and there are arrears under the **tenancy agreement**, we will only start the sale process if the arrears are settled or the buyer has agreed to purchase the arrears. Where a transfer to another pension scheme is requested we or the **Trustees** will notify that pension scheme of arrears relating to the **property**.
- 6.76 We may dispose of the **property**, require the **nominee** to dispose of the **property** or require the **joint title holders** to facilitate the disposal of the **property** where:
- the **property**;

- becomes **taxable property**;
  - does not comply with relevant regulation or legislation, or
  - presents undue legal, commercial, environmental or reputational risk to us, the **Trustees** or your **Sub-Fund** as determined by us and the **Trustees** at our discretion, which cannot be mitigated on what we and the **Trustees** consider to be reasonable terms;
- we become aware that information previously provided is materially incorrect or misleading;
  - your **Sub-Fund** (or a syndicated members's pension) has liabilities in accordance with Paragraph 18.7 (or the equivalent paragraph under your syndicated members's pension);
  - a **client** or the **nominee/joint title holder** repeatedly fails to co-operate or displays unreasonable behaviour including but not limited to abuse, offence, threatening language or dishonesty;
  - you fail to comply with these terms or a syndicated members fails to comply with the terms of their pension;
  - we deem there is to be irreconcilable differences between the syndicated members which in our reasonable opinion, makes the ongoing administration of your **Sub-Fund** unworkable.
- 6.77 Where we decide to dispose of the **property** in accordance with Paragraph 6.76 we will:
- give all **clients** 30 days' written notice;
  - instruct **third party professionals** of our choice; and
  - offer the **property** for sale on the open market or place the **property** in the next available auction of our choice.
- 6.78 Where we are unable to dispose of the **property** under Paragraphs 6.76 and 6.77 at a price previously advised by a **valuer**, auctioneer, or requested by the **lead member**, we will sell the **property** at the best available price.

## 7 Charges and expenses

- 7.1 Details of the charges to be applied by us in relation to your **Sub-Fund** and the circumstances in which they may be increased are set out in the **product particulars**.
- 7.2 We will also be entitled to charge the following costs to your **Sub-Fund**:
- all expenses incurred by us (including claims, losses and liabilities) in acquiring, holding, disposing of, transferring or valuing any **investment of your Sub-Fund**;
  - all fees, commissions, charges, disbursements (for example, stamp duty land tax or equivalent taxes and land registry fees) and other costs charged by any **nominee**, banker, **third party professional**, mortgagee or anyone else providing related services or any **agent** (including any financial adviser) appointed in relation to your **Sub-Fund** or any part of your **Sub-Fund**;
  - all taxes, duties, levies or other liabilities to which we become responsible for as a result of purchasing, holding, disposing of or transferring any **investment** allocated to your **Sub-Fund**; and
  - an amount equal to any tax for which we become (or reasonably expect to become) liable in respect of your **Sub-Fund** if the policy does not constitute or ceases to constitute pension business as defined in section 58 of the Finance Act 2012.
- 7.3 Subject to Paragraph 7.4, if we are required to:
- pay any tax or levies imposed on the Policy in relation to your **Sub-Fund** or on any **premium** paid or contributed by the **Trustees** for allocation to your **Sub-Fund**; or
  - make any other payment to the UK Government, any governmental agency or self regulatory organisation of which we are (or become) a member, to the extent directly or indirectly attributable to the policy or any **premium** paid or contributed by you which is allocated to your **Sub-Fund**,
- we may reimburse ourselves in respect of the levy, tax, liability, charges or other payment by way of making a charge to your

- Sub-Fund as we may reasonably determine. This will be on a basis similar to how the levy, tax, liability, charge or other payment has been calculated.
- 7.4 Paragraphs 7.2 and 7.3 will not apply to the extent that the relevant event is attributable, directly or indirectly, to any fraud, negligence, wilful default or breach of regulatory duty on the part of any member of the Curtis Banks Group.
- 7.5 The costs and liabilities which we are entitled to charge to your Sub-Fund will be deducted as follows:
- except where Paragraph 7.6 requires otherwise, all costs and liabilities in respect of an investment in property will be deducted from a property pooled bank account. We will adjust your property bank account records accordingly; and
  - all other costs and liabilities will be deducted from a pooled bank account. We will adjust your bank account records accordingly.
- 7.6 Where a property (or a part interest in a property) is held on behalf of more than one client and the market value of the property is required under these terms:
- your Sub-Fund will be liable for the costs of us obtaining the market value of the property where required under Paragraph 6 in proportion to the share of the property attributed to your Sub-Fund in accordance with the group investment agreement. The costs will be deducted from a property pooled bank account and we will adjust your property bank account records accordingly;
  - your Sub-Fund will be liable for the costs of us obtaining the market value of the property where required under Paragraphs 6.60 to 6.63. The costs will be deducted from a pooled bank account and we will adjust your Sub-Fund bank account records accordingly.
  - your syndicated members' pension will be liable for the costs of us obtaining the market value of the property in accordance with Paragraphs 6.60 to 6.63 (or the equivalent paragraph under your syndicated members' pension).
- 7.7 Your Sub-Fund will be liable for all other property related costs in proportion to the share of the property attributed to your Sub-Fund in accordance with the group investment agreement.
- 7.8 Where the pension of a syndicated member is unable to meet the ownership share of the property costs, the responsibility falls upon you and any other syndicated members equally and we may reimburse ourselves to the extent of your Sub-Fund's share of the shortfall by making a charge to your Sub-Fund. \*
- \* If your syndicated members cannot meet their share of the costs, your Sub-Fund may be responsible for all or part of their share.**
- 7.9 Where there is insufficient cash in the property pooled bank account (as recorded in your property bank account records) to settle costs or other amounts due under Paragraph 6 or this Paragraph 7, you agree that we may transfer monies credited to a pooled bank account (and recorded against your Sub-Fund bank account records) into a property pooled bank account (and recorded against your property bank account records) to settle outstanding fees, charges or amounts due.
- 7.10 If at any time the notional credit balance on your Sub-Fund bank account records and your property bank account records is not enough to cover all such costs and liabilities in full, we will require the Trustees to pay us a further premium for allocation to your Sub-Fund and/or to dispose of investments so that all amounts due can be paid. We will give you and the Trustees 30 days' written notice to do this. If you do not comply with these requirements, we may:
- dispose of investments in accordance with our order of disposal policy in order to pay the amounts due; or
  - require you to pay us the amounts due.
- 7.11 Where a transaction including but not limited to the acquisition, re-ownership, disposal or in relation to the occupation and holding of the property is terminated, stalled, aborted or in any way prevented

from concluding then all associated costs and accrued fees will be payable from your Sub-Fund.

- 7.12 We may increase our fees in line with the increase to the Average Weekly Earnings (AWE) or equivalent successor index, rounded to the nearest £1. If we do not increase a fee in any year, we may base the next increase on the change to the AWE since the last increase in that fee.

## 8 Valuation and reporting

- 8.1 Your Sub-Fund is denominated, accounted for and its performance is measured in Sterling.
- 8.2 At least once a year, we will provide you and the Trustees, without additional charge, with a statement of the current value of your Sub-Fund at that date. The reporting date for your Sub-Fund will usually be the first day of the calendar month in which the anniversary of the establishment of your Sub-Fund falls, but we reserve the right to amend the reporting date by written notice to you and the Trustees. You and the Trustees may request us to provide such statements more frequently or on a different date, but we reserve the right to make an additional charge for providing statements in those circumstances.
- 8.3 The value of your Sub-Fund is based on totalling the value of the assets of your Sub-Fund at the reporting date less the value of its liabilities. Any property allocated to your Sub-Fund will usually be valued at its original cost price or last valuation where available since acquisition for your Sub-Fund. Subject to HMRC and other regulatory rules, we may, from time to time, adopt such valuation rules as we in our opinion consider appropriate.
- 8.4 We will provide you on request with a copy of the current valuation rules adopted under Paragraph 8.3.

## 9 Switching out of your Sub-Fund and payments

- 9.1 On receipt of a signed request from you, we will transfer amounts standing to the credit of your bank account records out of your Sub-Fund to the Trustees. This is subject to prior payment of:
- all charges due to us;
  - the satisfaction of all costs chargeable to your Sub-Fund and all liabilities of your Sub-Fund; and
  - unless you request the encashment of all of your Sub-Fund, the retention by your Sub-Fund of the minimum balance on your bank account records specified in the product particulars.
- 9.2 If we and the Trustees agree, we may transfer assets out of your Sub-Fund:
- to you in payment of benefits under the Scheme; or
  - to another pension scheme that is a registered scheme within the meaning of section 153 of the Finance Act 2004 or which under that section is treated as a registered scheme; or
  - to the person entitled after your death as a payment of benefits under the Scheme; or
  - in accordance with any Court order; or
  - to the Trustees.
- 9.3 We will not make any transfer in accordance with Paragraph 9.2 unless:
- in the case of a transfer under Paragraph 9.2(a) or 9.2(b), we have received a signed request from you and the Trustees to make the relevant transfer;
  - we have received all charges due to us; and
  - all costs chargeable to your Sub-Fund and all liabilities of your Sub-Fund (including all costs arising in relation to the transfer) have been satisfied.
- 9.4 Any transfer under Paragraph 9.1 or 9.2 will be treated as an encashment of rights under your Sub-Fund.

- 9.5 We may:
- a. after giving the Trustees at least 6 months' prior written notice; or
  - b. at any time if the Trustees tell us to do so, require you to encash the whole of your Sub-Fund and transfer the cash proceeds (less the amount required to satisfy all charges due to us, all costs chargeable to your Sub-Fund and all liabilities of your Sub-Fund) to the Trustees. We will send you a copy of any notice that we give the Trustees under this paragraph.
- 9.6 If you fail to comply with the requirements made under Paragraph 9.5, we may treat you as having instructed us to encash the whole of your Sub-Fund and to transfer the cash proceeds (less the amount required to satisfy all charges due to us, all costs chargeable to your Sub-Fund and all liabilities of your Sub-Fund) to the Trustees.
- 9.7 After satisfaction of all liabilities of your Sub-Fund and transfer of all assets out of your Sub-Fund, we will close your Sub-Fund.

## 10 Deferral of payment

- 10.1 Where we are unable to realise or transfer all or any of the investments of your Sub-Fund, are unable to do so on what we consider to be reasonable terms, we may in our absolute discretion defer the encashment or transfer of your Sub-Fund or the making of any transfer under Paragraph 9 until we are able to realise the relevant investments (or are able to do so on what we consider to be reasonable terms) and have received the cleared funds. We may also defer the transfer of all or any of the investments of your Sub-Fund where it is impracticable or impossible to give effect to the transfer, until it becomes practicable or possible (as appropriate) to do so. We will inform you and the Trustees of any deferral under this Paragraph 10.1.
- 10.2 Where we have been unable to realise an investment, or have been unable to realise it on reasonable terms, we may, if we so choose:
- a. and if the Trustees agree, transfer that investment to the Trustees or, with the agreement of the Trustees, to you in part or full satisfaction of any payment of benefits under the Policy; or
  - b. require you to buy the investment from us at fair market value or £1, whichever is the greater.
- You must do all things and execute all documents that we may reasonably require to give effect to our rights under this Paragraph 10.2.

## 11 Agents

- 11.1 You may authorise one or more person(s) to act on your behalf in relation to your Sub-Fund, including:
- a. to give instructions for the purposes of Paragraphs 5.1 and 5.2; and/or
  - b. to receive communications in relation to your Sub-Fund.
- For example, you may wish to appoint an investment professional and/or a financial adviser or a member of your family to do all or any of these things for the purposes of these Administrative Terms on your behalf. Any such authority must be given in your Application Form or in such other form as we may require.
- 11.2 If you appoint any agent in accordance with Paragraph 11.1, references in these Administrative Terms to "you" will include your agent.
- 11.3 We are entitled to assume that any agent remains authorised to act on your behalf until such time as we receive written notice of the withdrawal of that person's authority. You agree that you will ratify and confirm all actions which your agent takes on your behalf under these Administrative Terms if we ask you to.

## 12 Events beyond our reasonable control

- 12.1 There are some events that are beyond our reasonable control.

If one of these events occurs, we may be unable, wholly or in part, to carry out some or all of our obligations in relation to your Sub-Fund. If this event happens, unless the Trustees might reasonably be expected to be aware of the event, we will to the extent possible, give the Trustees prompt notice of that event with reasonable particulars of it and, insofar as known, the probable extent to which we will be unable to perform or be delayed in performing the relevant obligation(s). Following this notice, and for as long as the event continues, the obligations which cannot be performed because of the event will be suspended. We will send you a copy of any notice that we give to the Trustees under this paragraph.

- 12.2 For the purposes of these terms, events beyond our reasonable control are as follows:

- a. restrictions imposed by legislation, regulation or other governmental initiatives that are not as a result of our misconduct;
- b. civil commotion, riot, invasion, terrorist attack or threat of terrorist attack, war (whether declared or not) or threat or preparation for war;
- c. strikes, lockouts, other industrial action or other interferences with work affecting employees other than our own;
- d. widespread failure or disruption of essential services (for example, telecommunications or electrical power);
- e. earthquake, storms, floods, lightning, fire, explosions or similar natural events; or
- f. significant economic collapse of a market, company or country leading to an unavoidable disruption.

This is in each case where the event is beyond our reasonable control or the reasonable control of our agents.

## 13 Tax provisions

- 13.1 Your Sub-Fund is made available to you strictly on the condition that it is pension business as that term is defined in section 58 of the Finance Act 2012 and does not give rise to any unauthorised payment charge and/or scheme sanction charge.
- 13.2 If we discover that your Sub-Fund does not constitute, has ceased to constitute or never constituted pension business as so defined or does give rise to an unauthorised payment charge and/or a scheme sanction charge:
- a. we will tell you of this;
  - b. we will treat you as having instructed us to encash your Sub-Fund (in whole or in part as we may specify) and to transfer the resulting monies to the Trustees; and
  - c. you will take such other action as may reasonably be required by us or the Trustees.
- 13.3 The tax charges mentioned in this document are based on our understanding of the relevant legislation as the date of this document's production and may be subject to change. You should seek independent tax advice if you require clarification on the tax charges.

## 14 Information, communications and accessing our services

- 14.1 We may request, and you must provide, such information as we may reasonably require to give effect to these Administrative Terms.
- 14.2 Unless otherwise specified in these Administrative Terms, communications (including instructions) for the purpose of these Administrative Terms may be given orally, in writing or via our secure internet portal. Communications in writing may be delivered personally, posted or sent by fax or by email. All communications, whether from you or us, must be in English.
- 14.3 Communications to us from you must be made to us at the address set out in the product particulars (or any other address which we may specify by giving you notice in writing). Any communication in writing from us to you or your agent will be sent to the relevant address provided in your Application Form until we are told by you

- that **you** or **your agent** would like communications sent to a different address.
- 14.4 Use of email is not a secure means of communication and in particular third parties may be able to view or alter information sent by email without either the sender or recipient knowing. **We** cannot guarantee that the content of any email **we** receive from **you** or send to **you** will remain private during transmission over the internet. By sending information to **us** by email **you** are accepting this risk.
- 14.5 **We** may:
- telephone **you** at any time to discuss **your Sub-Fund** without having been expressly invited by **you** to do so;
  - in good faith rely on any communication which **we** reasonably believe to have been issued by **you** or **your agent**;
  - rely upon any information provided by **you** in accordance with these Administrative Terms;
  - require **you** to make an instruction to **us** in writing before acting upon it;
  - decline to accept or act upon any communication which **we** reasonably believe not to have been issued in accordance with the provisions of these Administrative Terms, or if **we** reasonably consider that compliance with such communication would be impossible or would give rise to a breach of any applicable law or regulation. In such circumstances **we** will use **our** reasonable endeavours to tell **you** promptly; and
  - deem any communication received after 5.00 p.m. on a **business day**, or on a day other than a **business day**, to have been received on the following **business day**.
- 14.6 Where, in these Administrative Terms, a period of notice is to be given to **you** or the **Trustees**, that period of notice will be calculated from the date on which the notice was sent to **you** or the **Trustees** as the case may be.
- 14.7 If you experience difficulties accessing any of our services due to personal circumstances, **we** may be able to make some adjustments to help you. Please contact our Private Funds Team on 01473 296975 or privatefundsteam@suffolklife.co.uk to discuss any support adjustments that may be available to you.

## 15 Responsibility for scheme benefits

- 15.1 It is a condition of the Policy that:
- we** have no responsibility as to the adequacy of the Policy benefits to meet the liabilities under the Scheme; and
  - where **we** make any payment or transfer of assets under these Administrative Terms, **we** do not have any duty or obligation to see to the manner in which the payment or transfer of assets, as the case may be, is applied.

## 16 Variation and termination

- 16.1 **We** may amend these Administrative Terms by written notice to **you** and the **Trustees** for any of the following reasons:
- to reflect in **our** reasonable opinion a proportionate response to:
    - changes in general law or decisions of the Financial Ombudsman Service or the Pensions Ombudsman or the Financial Services Compensation Scheme;
    - a court order or decision affecting the terms; or
    - legitimate cost increases or reductions associated with providing **your Sub-Fund**.
  - to meet regulatory requirements;
  - to reflect new industry guidance and codes of practice which raise standards of consumer protection;

- to reflect a change in **our** corporate structure that doesn't have an unfavourable impact on **your Sub-Fund** but which does require **us** to make certain changes to the Administrative Terms;
- to provide for the introduction of new or improved systems, methods of operation, services or facilities associated with providing **your Sub-Fund**; or
- to correct any mistake in the Administrative Terms, provided the correction does not reduce any rights **you** have as a result of the mistake; or
- where **we** have any other valid reason for doing so.

- 16.2 Where these Administrative Terms are to be amended under Paragraph 16.1, **we** will give as much notice as is reasonably possible in the circumstances, which will generally be at least 30 days' written notice. **We** may notify **you** by email where **we** have **your** authority to do so.

## 17 Data protection and confidentiality

- 17.1 **We** will process **your** personal data (as defined under current data protection legislation) in accordance with **our** current Privacy Information Notice (available on the Curtis Banks website or on request).
- 17.2 **We** may record all telephone conversations relating to **your Sub-Fund** including, but not limited to, recordings of **investment** instructions for training, monitoring and fact verification purposes.
- 17.3 **We** will take all reasonable technical and organisational security measures to prevent the unauthorised or unlawful processing of **your** personal data and accidental loss or destruction of, or damage to, such data.
- 17.4 **We** will comply with the current data protection legislation. Please ask **us** if **you** would like details.
- 17.5 For the purposes of data protection legislation **we** will be the data controllers in relation to personal data provided by **you** or by the **Trustees**. **We** may in exceptional circumstances in connection with **your Sub-Fund** process special category data as defined under current data protection legislation. This could include information relating to **your** physical or mental health or condition and/or sexual orientation. The collection and processing of special category data would be only for legitimate interest and with your prior consent.
- 17.6 **We** may disclose information orally, in writing (including by email) or via **our** secure internet portal concerning **you** and **your Sub-Fund**:
- subject to law, to any person anywhere in the world, as long as the receiving country ensures an adequate level of protection of personal data, in the proper performance of **our** obligations under these Administrative Terms, including to any company within the Curtis Banks Group and any of **our** agents, delegates and advisers; or
  - as required by law or any competent authority; or
  - to any person **we** reasonably believe to have been appointed by **you** as **your agent**; or
  - with **your** prior written consent.
- 17.7 **You** agree that **we** may use any sources that **we** consider appropriate, including electronic data sources, for the purposes of verifying **your** identity or any other information that **you** provide to **us**. Where **we** carry out an electronic identity check this will be with a reputable referencing agency. A record of this check will be maintained by the referencing agency.
- 17.8 **We** may be required to pass **your** personal details to a credit reference agency or **bank** to enable that party to carry out an electronic identity check on **you**. The credit reference agency or **bank** used may maintain a record of the check.
- 17.9 Alternatively **we** may be required to forward copies of any verification of identity and address documents that **we** have obtained from **you** or **your** adviser.

- 17.10 In order to satisfy regulatory requirements, we will retain information after your Sub-Fund has been closed. This will include Sub-Fund applications that do not proceed.

## 18 Assignment

- 18.1 Your Sub-Fund is not assignable in whole or in part without our prior written consent.

## 19 Reassurance

- 19.1 We are entitled to reinsure our liabilities under the Policy in whole or in part at any time. We will be entitled to do this without notice to or consent from you.
- 19.2 Any person to whom liabilities are reinsured in accordance with Paragraph 19.2 may be permitted further to reinsure all or any liabilities that are reinsured to it in accordance with Paragraph 19.1.

## 20 Waiver

- 20.1 We may agree in writing with you to waive any condition contained in these Administrative Terms.
- 20.2 Any waiver under Paragraph 20.1 of any condition on any occasion does not bind us to waive that condition on any other occasion.

## 21 Rights of third parties

- 21.1 The provisions of these Administrative Terms confer benefits on other members of the Curtis Banks Group and are intended, subject to Paragraph 21.3, to be enforceable by them by virtue of the Contracts (Rights of Third Parties) Act 1999.
- 21.2 Subject to Paragraph 21.1, the Policy and these Administrative Terms are not intended to be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person other than the Trustees and us.
- 21.3 Notwithstanding Paragraph 21.1, we may vary these Administrative Terms as contemplated by their provisions without the consent of any other member of the Curtis Banks Group.

## 22 Financial Services Compensation Scheme (FSCS)

- 22.1 We are covered by the FSCS. This paragraph sets out our understanding of the level of compensation available to you should we be unable to meet our obligations to you.
- 22.2 In the event that we are unable to meet our obligations to the Trustees then the Trustees may be eligible to make a claim for compensation under the FSCS. This is limited to 100% of the value of your Sub-Fund.
- 22.3 In the event that a bank is unable to meet its obligations to us because the bank has become insolvent or ceased trading, then we or the Trustees may be eligible to make a claim for compensation under the FSCS. This is limited to £85,000.
- 22.4 For further details of the FSCS, their contact details are 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU. Their contact telephone number is 0207 741 4100 and their website is [www.fscs.org.uk](http://www.fscs.org.uk).

## 23 Governing law

- 23.1 These Administrative Terms are governed by and to be interpreted in accordance with English law.

## 24 Conflicts of interest

- 24.1 During the period where we are administering your Sub-Fund conflicts of interest may arise between you and us, our employees or our associated companies. A conflict of interest is where our duties to you as our customer or beneficiary may conflict with what is best for ourselves, our associated companies, our other customers or our duties that we may owe to others. To ensure that we treat customers consistently and fairly, we have a policy on how to manage these conflicts. A copy is available on request from our contact telephone number shown on the back page. Should a conflict of interest occur that we cannot manage satisfactorily under our policy we will contact you and disclose that conflict to you, so you can decide whether or not you want to continue using our services under these terms.

## 25 Complaints

- 25.1 You can address any complaints about our services, in writing, to the Chief Executive Officer, Suffolk Life Annuities Limited at 153 Princes Street, Ipswich, Suffolk IP1 1QJ.
- 25.2 If the matter is not dealt with to your satisfaction, you can write to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR; telephone 0800 0 234 567. Making a complaint will not prejudice your right to take legal proceedings.



## Notes





## Notes

Curtis Banks,  
153 Princes Street,  
Ipswich, IP1 1QJ

T 0370 242 2271 (administration and general enquiries)  
T 0370 242 2272 (property)  
curtisbanks.co.uk

**Call charges will vary. We may record and monitor calls.**

If you're contacting us by email, please remember not to send any personal, financial or banking information because email is not a secure method of communication.

Suffolk Life Annuities Limited is a company registered in England & Wales (registered number 1011674) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (number 110468) with its registered address at 153 Princes Street, Ipswich, Suffolk IP1 1QJ. LF30021/Aviva (SLAV004.202404) April 2024

