

ISA Portfolio

Terms & Conditions

Introduction

ISA Portfolio is a stocks and shares ISA provided through the Aviva Platform, an online portfolio management service from Aviva.

ISA Portfolio is a flexible long term investment plan that offers access to a wide range of collective investments and equities across different investment sectors.

Subject to legal and tax restrictions You are able to take withdrawals from Your ISA Portfolio or transfer Your investments to another provider at any time.

We will aim to provide a wide range of investment choices at all times, but We reserve the right to withdraw or change any of the available investment offerings at any time. If this affects You. We will tell You at least 30 days in advance unless external factors mean that We cannot do so. We will tell You Your options if You are affected.

Important Information

This document details the Terms and Conditions of Your ISA Portfolio.

It is important that You retain these Terms and Conditions as they form a legal agreement between You and **Aviva Wrap UK Limited**. They should be read in conjunction with the ISA Portfolio Key features document.

Aviva Wrap UK Limited is authorised and regulated by the Financial Conduct Authority. Other companies may be appointed to provide services in connection with Your ISA Portfolio and Investments.

Definitions

Aviva means any of the companies in the Aviva Group that may provide services to Your ISA Portfolio including Aviva Wrap UK Limited or any third party appointed by them to supply services under this contract.

Aviva Wrap UK Limited is authorised and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Aviva Platform means the online portfolio management service provided by Aviva, including the provision of transaction and administration facilities for Your ISA Portfolio.

Business Day means any day on which the London Stock Exchange is open for business.

Cash Account means the cash facility within Your ISA Portfolio where cash is held. This cash will be held in a client money trust account in accordance with the Financial Conduct Authority client money rules.

CREST means the centralised system for settlement of securities including Equities, in the UK, operated by CREST co Ltd.

Custodian means Aviva Wrap UK Limited or another company appointed by Us to safeguard and administer Investments.

Dilution Levy means the adjustment which may be imposed by a Fund manager to share out the costs incurred when a need to deal in underlying assets is triggered by investor purchases or redemptions of Fund units/shares. This is to prevent these costs diluting the value of units/shares held by continuing investors.

Equalisation means the amount of any undistributed income already included in the price of the units/shares at the time of investment.

Equities means an interest in a company in the form of shares.

Execution Venue means where the exchange of monies is undertaken. Our nominated stockbroker represents the Execution Venue in the trading of Equities. In the trading of Funds, the Execution Venue will be represented by Aviva or the Fund provider (or their agent).

Fund means a Financial Conduct Authority authorised or recognised unit trust or OEIC or other collective investment scheme in which units/shares can be purchased.

Investment means assets held within Your ISA Portfolio such as Equities, units/shares in Funds and cash.

Investment Profile means exactly how Your Payment(s) will be invested, i.e. a list of specific Funds/cash and the percentage of the investment to be applied to each.

Limit Order means the dealing instructions issued to Us to execute buy orders below a specified price and sell orders above a specified price.

Nominee Company means a company in whose name Investments purchased for You will be registered.

Payment/s means the amount paid into Your ISA Portfolio and includes, as appropriate, single lump sum Payments, regular Payments and transfer payments (including asset transfers) from other product providers made into Your ISA Portfolio. All Payments must be made in Sterling.

Private Investment Portfolio means any asset outside of Your ISA Portfolio which You wish to record and show in Your ISA Portfolio. Please note, these assets will not be included in any statements that We send You.

Regulations means any rule or Regulation issued by any authority, body or person having responsibility for the supervision or regulation of any of the activities carried out by Us.

Settlement Date means the date by which You pay Us or We pay You for any Investment transactions on Your account.

Tax Year means the Tax Year 6th April to 5th April.

Us/We/Our means any of the companies in the Aviva Group which may provide services to Your ISA Portfolio being, as appropriate:

- Aviva Wrap UK Limited
- Aviva Pension Trustees UK Limited
- Aviva Life and Pensions UK Limited

or any third party appointed by any one of them to supply services under this contract. We reserve the right to assign contractual obligations to another company within the same group of companies as Aviva Wrap UK Limited. This is subject to providing you with 60 days' notice and that it is reasonably understood that it would not reduce the security of your benefits.

You/Your means the investor named on the application form for Your ISA Portfolio.

1. Opening Your ISA Portfolio

Your ISA Portfolio will be opened when We have a satisfactorily completed application and valid Payment for Your ISA Portfolio. A satisfactorily completed application consists of a correctly completed application form submitted by Your adviser together with a signed client declaration, although We reserve the right to reject an application. A valid Payment means the amount paid into Your ISA Portfolio and includes, as appropriate, single lump sum Payments, regular Payments or transfer payments (including asset transfers) from other product providers made into Your ISA Portfolio.

You must contribute to the ISA Portfolio with Your own cash. Transfers of existing ISAs will be arranged with the existing plan manager. Once the ISA has been transferred, Your ISA Portfolio will be subject to these Terms and Conditions.

Details of the minimum and maximum Payments can be found in the ISA Portfolio Client Guide (LF10082).

We will provide You with an acknowledgement once Your ISA Portfolio is open.

In opening Your ISA Portfolio You agree to Us making Your information regarding Your ISA Portfolio available online. In order to view this information online You will be required to provide Your email address.

2. Security

When Your ISA Portfolio is opened, We will issue You with a username and registration ID under separate cover so that You may set up a password and view Your ISA Portfolio on-line.

Our security procedures are intended to protect You.

In addition to issuing You with a username and registration ID, We have other security procedures designed to prevent unauthorised disclosure of Your information. You must keep Your security details and password secret and not disclose them to any other person. You should take all reasonable steps to prevent disclosure of Your security details or password. We cannot be responsible for any losses You incur if You have not kept Your security details and password secret. You must tell Us as soon as possible if You think that someone else knows Your security details or password or if an unauthorised person is trying to access Your ISA Portfolio.

You must not permit any other person to access Your ISA Portfolio using Your username or password.

3. Subsequent ISAs

The ISA Portfolio is a Stocks and Shares ISA. You may continue to subscribe to Your ISA Portfolio in following Tax Years. Regular Payments continue into subsequent Tax Years unless You instruct Us otherwise. You cannot subscribe to more than one ISA Portfolio in the same Tax Year.

If you do not make any Payments for an entire Tax Year then before You make any subsequent Payments You must submit a new application to Us.

4. Trading

When dealing in Investments for You, We must be in receipt of a valid instruction from You or Your adviser as appropriate.

On receipt of a valid Payment with ambiguous or unclear Investment instructions, We reserve the right to hold the Payment in cash while We obtain clarification from You or Your adviser.

A valid instruction from Your adviser must be submitted online and will be deemed to be received by Us when a confirmation screen is displayed. A valid instruction from You should be submitted by post and will be deemed to be received when it is date stamped by Us.

We will purchase Your chosen Investments for Your ISA Portfolio only when Your Payment(s) can be treated as cleared Funds. For cheques generally this will be three business days after receipt. For direct debits and immediate electronic payments this will be within one Business Day of the crediting of monies to Our bank account.

We collect Payments by direct debit on the date stated on Your online application. Payments can be made monthly, quarterly, half yearly or yearly and will be collected on the agreed date each time. It should be noted that it will take Us up to 5 working days to set up the direct debit following receipt of Your signed mandate.

If, on receiving a Payment and applying the same to Your ISA Portfolio, any maximum limits applicable to Your ISA Portfolio would be exceeded at the next direct debit collection, We will not collect subsequent direct debits. Instead, We will contact Your adviser to state how much You can contribute to take You to Your maximum limit, giving Your adviser the option of sending the payment to Us.

If the means of payment is dishonoured, then any Investment made with such a Payment will be cancelled and We reserve the right to deduct any shortfall from Your ISA Portfolio (if any).

We will not apply any discretion when dealing on Your behalf nor accept liability for any losses, direct or consequential, which You may realise as a result of the investment decisions made by You in conjunction with Your adviser. You are therefore advised to seek appropriate professional advice prior to entering into any transactions.

Sale transactions are subject to minimum residual holdings as set out in the Withdrawals section. Sale proceeds are held in cash in Your ISA Portfolio where You have instructed Us to sell but have not given Us instructions to reinvest, withdraw or close Your ISA Portfolio.

Where We receive an instruction which is unclear or ambiguous in nature, We reserve the right to take no action until We have received clarification from You or Your adviser. If We receive a payment which does not enable Us to identify You, Your ISA Portfolio or Your adviser then this may be returned without processing to the issuing institution.

(i) Trading Funds

When trading for You, deals may be aggregated with those of other investors because We reasonably believe that such aggregation will work to Your advantage. On occasions, aggregation may work to your disadvantage. Where aggregation results in a small amount of cash that cannot be reasonably allocated to individual investors We will move the money to Our own bank account and pay it to Our chosen charity annually. If aggregation results in a small asset holding that cannot be reasonably allocated to individual investors We, as agent, will sell the asset and pay the proceeds to Our chosen charity annually.

Aggregation may result in a Dilution Levy being triggered. This is usually no greater than 1% of trade value.

Following receipt of cleared funds or in relation to switches, a valid online sale or purchase order, trades may be aggregated with those of other investors. We will normally aggregate trades as appropriate on each Business Day and then pass these to the relevant Fund manager(s). These will then be executed in accordance with each Fund manager's execution policy. For some funds the next available valuation point may be later than one Business Day following aggregation.

Some Funds may have a minimum trade value. If a trade is placed for less than this amount, the trade may be held as pending until We receive further trades that meet this minimum amount from You or other investors. We reserve the right to reject the trade if the minimum trading amounts are not achieved. Your adviser has details of the minimum trading amounts.

When investing in Funds We will purchase the share class that You select. If you select a net paying share class within Your ISA Portfolio We will reclaim any applicable tax for You. However, in a number of cases gross paying share classes are available. Please check the availability of these before investing.

(ii) Trading Equities

When You transact in Equities, only whole shares may be transacted. Any residual cash will remain in Your ISA Portfolio.

All Equity orders will be forwarded directly to Our nominated stockbroker as We receive and process them. It may be a policy of Our nominated stockbroker that orders will be aggregated. This means that the price of securities may rise or fall in the period between the receipt of Your orders and the time it is actioned.

Currently, trades placed online are submitted to Our nominated stockbroker three times a day. Further details are available on request.

In relation to the aggregation of Equities, specific events could include:

- Trades becoming outside normal market size resulting in a price which is different to that which would have prevailed on a single deal.
- A delay between orders being placed with Us and then being placed in the market whilst bulking takes place, resulting in price movements which could be either favourable or unfavourable.
- Panel on Takeovers and Mergers levies being triggered for trades over £10,000.

When dealing with Equities, We may accept Limit Orders where You place limits on the price You are prepared to accept for a deal, provided that the order is above any minimum level We set from time to time. Any such order will be valid for a maximum of 10 days. We will use reasonable endeavours to execute Your Limit Order.

Unless otherwise specified in the buy order, We will automatically buy ordinary shares.

All orders and valuations will be in Sterling only. Overseas securities will not be offered but if inadvertently acquired, for example, as a result of a corporate action will be sold and the proceeds, in Sterling, will be paid into Your Cash Account at the earliest reasonable opportunity.

Settlement of Equities transactions will usually be undertaken via CREST. Each transaction will be due for settlement in full on the Settlement Date, which will be three Business Days after transaction date.

All exchange transactions will be subject to the rules, regulations, customs and market practice of the London Stock Exchange on which the transaction is being dealt and all applicable regulations will be binding on You.

There may be minimum trading amounts for trading in Equities, so please refer to the ISA Portfolio Customer Guide (LF10082).

(iii) Switching

You may instruct Us to sell units/shares in an Investment(s) and reinvest the proceeds in another Investment(s). On receipt of Your instructions, Your adviser will instigate the sale of the specified units/shares followed by the purchase of the specified new units/shares.

Please note that purchase orders will be placed once all sale prices have been confirmed to Us by the relevant Fund manager. There may therefore be incidences where You are disinvested for a period and subject to potentially adverse market movements.

There are no additional Aviva or Fund manager charges levied for switching other than the standard Fund manager charges associated with the buying and selling of units/shares. Details of these charges can be found on the Fund fact sheets on Our website.

(iv) Best Execution

When dealing with Your order to buy or sell Investments, We will use all reasonable endeavours to achieve the best possible result for You under the circumstances.

In respect of orders relating to Funds, the only method available for dealing with most of these in practice is to transmit them to the Provider of Your chosen Fund. Therefore the Fund provider (or their agent) is the only Execution Venue that will be used. Regulations require Us to consider various execution factors in deciding how best to execute Your order. These include price, cost, speed, likelihood of execution and settlement, size, nature and other relevant matters. Normally We would consider price to be the most important factor. However, for Investments in Funds, there will only be one Execution Venue that We can use in practice to deal with Your order and there will only ever be one price; the price of the underlying assets.

In respect of orders relating to Investments in Equities, when dealing with an order to buy or sell equity shares, We send Your order to Our nominated stockbroker, who has arrangements in place to provide Us with the best possible result in terms of the price and other relevant factors that they can achieve under the circumstances. We use Our nominated stockbroker for this purpose, as We believe this helps Us obtain value for money for Our clients.

We will monitor the effectiveness of Our best execution policy and arrangements to ensure that We continue to obtain the best possible result for You. We will notify You of any material changes to Our policy and arrangements where they are relevant to You.

Please note that Our best execution policy does not apply when a specific instruction is given as to how orders should be dealt with. This may prevent Us from taking steps designed to obtain the best possible result for You.

5. Investment Profiles and Portfolio Rebalancing

When You invest through Your ISA Portfolio, Your adviser may create one or more Investment Profiles. This Investment Profile records the Investments You have selected in their set proportions. Subsequent Payments are invested in accordance with the Investment Profile unless You or Your adviser inform Us otherwise.

Over time, as a result of varying investment performance, the proportions of Investments in Your ISA Portfolio will change in relation to Your Investment Profile. You or Your adviser may ask Us at any time to rebalance Investments in line with Your Investment Profile(s). This will involve switching – please see section 5 (iii) for details.

You or Your adviser may also instruct Us to automatically rebalance Your portfolio at a period You or Your adviser specify.

6. Transfers

(i) Transfers-in

It should be noted that whilst there is a large range of Investments available there may be occasions when a particular Investment cannot be accepted.

Where transfers between different portfolios on the Aviva Platform are permitted, We reserve the right to enforce a minimum transfer amount. For details of the current minimum transfer amounts, please refer to the ISA Portfolio Customer Guide (LF10082).

You may transfer Your ISA to Us either in cash or by way of re-registration of Investments, subject to these Terms and Conditions and the transferring manager's approval. Please note We will accept full or partial transfers of Payments made in previous Tax Years. For the current Tax Year We will only accept transfers of all Payments made in this Tax Year.

For ISA cash transfers, once Your ISA Portfolio is open We will buy the Investments You have instructed Us to buy on Your application. Certain Fund managers may charge a fee for re-registering assets and such fees will be deducted from Your ISA Portfolio.

Any residual payments received from Your old plan manager after Your Portfolio has been opened such as distributions, will be held temporarily in cash in the Cash Account of Your ISA Portfolio pending reinvestment.

(ii) Transfers out

You may instruct Us at any time to transfer out all of Your ISA Portfolio to another plan manager, subject to the agreement of that plan manager. We can not guarantee that the transfer will take place on the date requested unless the requested date is at least 30 days after Your instructions are received. We, or the new plan manager, may require any transfers out to be in cash. Partial transfers are not permitted for the current Tax Year's ISA Payments but previous years' Payments can be partially transferred. ISA Payments for the current Tax Year can only be transferred in full.

7. Ownership of Investments, voting and documentation

Investments held in Your ISA Portfolio are held in the name of a Nominee Company except for Equities which will be held in the name of the nominee company of our nominated stockbroker. However, You remain the beneficial owner of the investments.

You are not entitled to sell or dispose of the investments held in Your ISA Portfolio. You may not transfer any interest in the Investments or use them as security for a loan or create any legal charge over them.

As Investments will be registered collectively in the same name, they may not be identifiable by separate certificates or other physical documents of title. In the event of Our default, any shortfall in Investments may be shared pro rata amongst investors.

Any certificates or other documents evidencing title will not be lent to third parties or used as security for borrowing. They will be held by Us or to Our order in safe custody.

Aviva Nominees UK Limited is not an authorised company under the Financial Services and Markets Act 2000 but Aviva Wrap UK Limited accepts full responsibility for the acts and omissions of the nominee.

No voting rights will be exercised on Your behalf for any of Your Investments. This means that where an Investment is subject to a corporate action, the decision taken by other eligible shareholders will be aggregated across all Aviva Platform customers. We will write to Your adviser to inform them of any corporate actions and will also contact You if it is necessary for You to take any action.

In the unlikely event of default by any Custodian, any shortfall in Investments may be shared pro-rata amongst investors.

Copies of a Fund's interim and annual Reports and Accounts, Prospectus or other similar material are available via Our website.

In the event of a holding being subject to an elective corporate action We will endeavour to process the event as per Your wishes. In such instances We will contact You and Your adviser with the details of the corporate action and request for written instructions. Please note that when returning Your written response, it must be directed to the address or fax number detailed within Your corporate action letter. Where no such instruction is received within the

specified time limits We will allow any accumulated rights to lapse and will not be held liable for any losses, direct or indirect, which may subsequently arise.

All Equities We buy for You are acquired with all benefits attached and We will claim for You any dividends, to which You are entitled, from the counterparty (that is, the person selling the Equities) to the transaction. We will always apply the cash sums to Your Cash Account of Your ISA Portfolio. These payments will be listed in Your regular statements.

Any certificates or other documents evidencing title will not be lent to third parties or used as security for borrowing. They will be held by Us or to Our order in safe custody.

From time to time You may be advised of changes applicable to Equities or Funds that You hold within your ISA Portfolio, for example, rights issues and fund name changes. While We will endeavour to provide You with sufficient time to consider and respond, the time within which You have to communicate Your response may be limited and is out of Our control. In extreme circumstances this may mean that You are unable to respond within the timescales provided.

8. Cash

(i) Cash Account – general

The ISA Portfolio has a Cash Account.

Cash within Your ISA Portfolio will be held in one or more interest bearing client money trust account(s) with National Westminster Bank plc (“NatWest”) and/or any other account provider that We may reasonably decide. This cash will be held in accordance with the Financial Conduct Authority client money rules, as amended from time to time. The interest rate applicable when You open Your ISA Portfolio will be detailed in Your illustration. After this, You can find out the Cash Account’s current interest rate in the latest version of the ISA Portfolio Key Features document (LF01011) which is available from Your adviser or by contacting Us using the details on Our website. Interest will be credited to Your Cash Account monthly on or around the 26th of each month.

(ii) Cash Account – balances

All cleared payments, except for payments which consist of real assets, will be initially credited to Your Cash Account. Cash may also be credited to this account by Us, for example by way of distribution payments or interest payments, income, or if investments are sold without making further purchases.

We strongly recommend that You and Your adviser regularly review the balance of Your Cash Account. This is especially important if You are invested in, or decide to invest in assets which can’t easily be liquidated for the purposes of ensuring Your Cash Account has sufficient funds to pay any charge(s) and, or make any payment(s) to You. The balance of Your Cash Account will be shown on Your account statements.

(iii) Cash Account – transactions

We will take all our charges from Your Cash Account. Any adviser charges You agree with Your adviser will also be taken from Your Cash Account. If there is an insufficient cash in Your Cash Account to cover the payment(s) of any charge(s) due or to make any regular payment(s) to You, We will automatically disinvest the required amount in line with the Fund Investment proportions.

We will always use the Cash available in Your Cash Account to pay any Charges, and, or make payments to You, before automatically disinvesting. We will not automatically disinvest Equities without specific instructions from You. Funds known to be in deferment or suspension are not included within the automatic disinvestment process.

Deductions that We are obliged to make in the administration of Your ISA Portfolio as required by relevant tax legislation or other Regulation will be accounted for and reflected in Your statement.

(iv) Unidentified cash

If We receive a Payment and We are not provided with sufficient information to identify that this is intended to be for Your benefit then this may be returned to the payer.

9. Income

We will collect income in respect of Investments in Funds held in Your ISA Portfolio and credit the same to the Cash Account within Your ISA Portfolio. Income may include distributions from Funds, dividends from Equities and reclaims of UK income tax where appropriate.

Any income which is not withdrawn by You must be reinvested in suitable investments as soon as practicable.

10. Withdrawals

On Your instructions and within the time stipulated by You, Your ISA Portfolio or part of Your ISA Portfolio, can be withdrawn. However, We can not guarantee that the withdrawal will take place on the date requested unless such requested date is at least 30 days after receipt of Your instruction.

Withdrawals are subject to minimum amounts remaining in Your ISA Portfolio as set out in the ISA Portfolio Customer Guide (LF10082).

Your adviser can also set up regular withdrawals from Your ISA Portfolio.

For some Funds, it may not be possible to withdraw your investment on every Business Day as they may have different trading frequencies. This could mean that you may not receive your withdrawal proceeds straight away. Details of the withdrawal process can be found in the Fund provider's literature.

Where permitted You may withdraw some or all of any cash balance in Your ISA Portfolio at any time by sending Us a signed written instruction to do so.

The minimum amount that can be withdrawn is shown within the ISA Portfolio Client Guide (LF10082). You can also opt for regular withdrawals.

The remaining balance in Your ISA Portfolio after any withdrawal must be at least £250. We reserve the right not to accept a withdrawal instruction that would take the portfolio balance below £250. In the event that the balance is less than £250, We may contact You to request further Funds, or instructions relating to the closure of Your ISA Portfolio.

Payment of withdrawal proceeds will be made to You, or to another authorised third party, by direct credit. We may deduct from any amount payable to You any outstanding charges due.

Where a sale amount has been defined in cash the number of units/shares deducted will be rounded up so as to ensure the cash amount requested is met. This may result in more cash than requested being generated.

11. Charges

The following charges are applied to Your ISA Portfolio and may be taken by any of the companies included within the "Us/ We/Our" definition of these Terms and Conditions.

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

- to reflect, in a proportionate manner, changes in costs relating to taxation, the law or decisions or recommendations of an ombudsman, Regulator or similar person, or
- where there are changes in the costs of Fund management, or
- to respond, in a proportionate manner, to changes in the costs which We reasonably incur in carrying out the administration of Your ISA Portfolio.

We will notify You at least 30 days before the change has any effect on You.

(i) Aviva charge

This is deducted in monthly instalments, and is calculated at the start of each calendar month as a percentage of the average value of Your ISA Portfolio during the preceding calendar month.

(ii) Transfers

Transfers from other product providers are treated as Payments and therefore incur Investment charges.

Certain Fund managers may charge a fee for re-registering assets and such charge may be paid by cheque or by selling Funds to raise the appropriate amount.

Transfers between different portfolios on the Aviva Platform do not incur charges if these are permitted.

For Equities Our nominated stockbroker will charge a flat rate per stock transfer. Please refer to the ISA Portfolio Customer Guide (LF10082).

(iii) Adviser charge

- Initial Adviser Charge – We will deduct any initial adviser charge You have agreed with Your adviser from Your Payment(s) before We invest them on Your behalf.
- Ongoing Adviser Charge – We will deduct any ongoing adviser charge You have agreed with Your adviser from Your ISA Portfolio and will pay it to Your adviser. If the amount You have agreed is a percentage of Your ISA Portfolio then this will be calculated based on the daily value of Your ISA Portfolio.

(iv) Collection of charges

Charges are deducted from the Cash Account within Your ISA Portfolio. Charges are calculated based on daily valuations.

It is Your responsibility to ensure that there is sufficient cash in Your ISA Portfolio to meet charges.

(v) Charges for excessive transaction levels

We reserve the right to make a reasonable charge for linked sell and buy transactions and for rebalancing Your Portfolio. We would only normally do so if We deem the number of transactions in any 12 month period to be excessive. Any charge would proportionately reflect the additional administration costs We suffer. We will tell You before We make these charges.

(vi) Discretionary Fund Manager Charge (managed portfolio service charge)

You may have agreed with your financial adviser to use a discretionary fund manager (DFM) to manage Your investments. There may be an additional charge for this. Any charge will be documented on Your illustration and shown on Your transaction history as a 'managed portfolio service charge'. The charge will be agreed between You; Your financial adviser; and DFM.

12. Other charges

It is market practice for Fund managers to impose charges for buying and selling units/shares in their Funds and to impose their own annual management charges. Wherever possible, We will attempt to secure discounted initial and annual management charges from Fund managers. See the Investment provider rebates in section 14.

Details of the Fund managers' standard charges, as well as any discounts available through Us, are set out in the Fund fact sheets available through the website.

There are also other expenses which Fund managers deduct from their Funds such as registrar's charges, trustee/depository charges, audit charges and stamp duty reserve tax (SDRT). SDRT is applied to surrenders of units/shares. It is technically a liability of the trustee/depository of each Fund but in practice it will be covered by a charge to the Fund.

In addition, Fund managers may impose a Dilution Levy to share out the costs incurred when a need to deal in underlying assets is triggered by investor purchases or redemptions of Fund units/shares. This is to prevent these costs diluting the value of units/shares held by continuing investors. Any charge arising from a Dilution Levy being applied will either be reflected in the offer price of the units or be applied as a levy to the amount invested or disinvested.

Any Dilution Levies imposed will be shared across all investors constituting that particular transaction.

The dealing price given to Our nominee account by a Fund manager will be used to calculate Your sale proceeds or purchase cost. Please note, this price may be higher or lower than the published price.

For trading in Equities, Our nominated stockbroker will charge a fee per trade. In addition, any Stamp Duty Reserve Tax (SDRT) and London Stock Exchange (LSE) charges are passed on to You, as are charges levied by the Panel of Takeovers and Mergers (PTM). For further information on these charges, please contact Your Adviser or HM Revenue & Customs.

13. Taxation

(i) Taxation on Your ISA Portfolio

This information on taxation is for your information only and does not form part of your Terms & Conditions. It is based on Our understanding of current legislation and is subject to change.

We have included some general taxation information below. If You are in any doubt as to Your tax position, You should seek professional advice.

(ii) Equalisation

After an Investment has been made in a Fund, the first distribution of income includes an element of Equalisation, i.e. the amount of any undistributed income already included in the price of the units/shares at the time of investment. This is treated as a return of capital for tax purposes, is not subject to income tax and so does not carry a tax credit or deduction of income tax.

(iii) VAT

All charges which You pay to Us, or which We collect from Your adviser, will include any VAT that may be applicable. Please note this is based on Our understanding of current legislation and is subject to change.

(iv) Income tax and capital gains tax

All income and capital growth produced is free of any UK income and capital gains tax. Neither income nor capital gains need to be declared on Your tax return. Some income may be received by the Fund manager net of tax which cannot be reclaimed. We will notify You if, due to any failure to satisfy the provisions of the ISA Regulations, Your ISA is, or will no longer be exempt from tax.

14. Investment provider rebates

Aviva has negotiated discounts on the annual management charges on some Funds. These rebates are received in the form of a refund of the annual management charge. They are paid to Aviva by the Fund manager at varying intervals. This can be monthly, quarterly, twice yearly or in some cases yearly.

This rebate is shown in the form of an Aviva discounted annual management charge and is calculated as the Fund managers' standard annual management charge minus the Aviva discounted annual management charge.

Rebates due for periods up to, but not including, 6 April 2014 will be paid to Us by the Fund manager in cash, which We will credit to the Cash Account within Your ISA Portfolio.

For rebates due from 6 April 2014, We'll apply the rebates as additional Fund units into Your ISA Portfolio, apart from in the following instances:

- 1) Where You have moved all Your investment out of the Fund to which the rebate relates, or You have an order to sell out of that Fund.
- 2) The rebate paid to You across all portfolios held under the Aviva Platform is less than £1 per calendar month per Fund.
- 3) The Fund to which the rebate relates is closed, suspended or has any other status which means units cannot be ordered.

In these instances We'll pay cash rebates and credit the rebate to the Cash Account within Your ISA Portfolio.

Any rebates You receive in additional units into Your ISA Portfolio will be reflected in Your statement which will specify the rebate amount, the number of units purchased, the unit price and the date the units were bought.

(i) Payment of cash rebates

Once the rebates have been paid to Aviva in cash by the Fund manager, We will credit the rebate to the Cash Account within Your ISA Portfolio. These payments will be made at the same interval as the Fund managers make payments to Aviva and so are dependent on Us receiving the rebate from the Fund manager.

(ii) Payment of unit rebates

Following receipt of the rebates which are to be paid to Aviva in cash by the Fund manager, Aviva will place a deal with the Fund manager on Your behalf for units to be bought in the Fund reflecting the equivalent cash amount of the rebate due. The order for units will be placed with the Fund manager in accordance with Clause 4 (i) (Trading Funds) of these Terms and Conditions.

Any delay in receiving the rebate from the Fund manager will result in a delay in Us making the payment to Your ISA Portfolio.

Details of Investment Funds and their charges can be found in the relevant Fund factsheets.

15. Administration of Your ISA Portfolio

(i) Confirmations of transactions

We will provide You with details of transactions on Your ISA Portfolio.

We will provide You with online confirmations for Your initial purchase of Investments, sale of Investments and re-investments once the transaction has been completed.

We will not provide confirmations for every sale and purchase where automatic disinvestments are made to meet charges. A summary of such transactions will be reflected in Your statement. Detailed transaction information can be viewed online.

(ii) Periodic Statements

Statements will be issued six-monthly. These will set out the value of Your ISA Portfolio, including valuations of each Investment and a summary of transactions in Your ISA Portfolio since the last statement date. Detailed transaction information can be viewed online.

(iii) Valuations

We will value Investments in Your ISA Portfolio as follows:

We will value Funds at the end of each Business Day using the most recent price available from the Fund manager.

You should be aware that if You want to buy or sell holdings in a Fund, these prices will not necessarily be the dealing prices as most Funds are priced on a forward basis. This means that the price for a sale or purchase transaction is that calculated at the valuation point after the transaction has been placed with the Fund manager.

You should be aware that if a transaction instruction is given in cash terms the actual amount You receive may be more or less than that stipulated.

For Equities, prices will be sourced from a single data vendor and updated once a day using market close prices.

(iv) Statements and Confirmations

Statements and online confirmations will be provided to You and Your adviser.

(v) Private Investment Portfolio

The Private Investment Portfolio provides Your adviser with the facility to record Your private assets and liabilities within Your ISA Portfolio.

Where You have chosen to list private assets in a Private Investment Portfolio, the details of these are Your responsibility. We do not value such assets and We have no liability for the accuracy of these details.

(vi) Power of Attorney

Please note that We are unable to accept applications signed by the prospective client's attorney unless they are accompanied by a correctly certified and, where applicable, correctly registered Power of Attorney document. Applications for an ISA Portfolio signed by the prospective client's attorney can only be accepted where the client is mentally or physically incapacitated and this is confirmed in writing by the Attorney.

(vii) Pricing Errors

In rare cases, errors may arise in the valuation of, or transactions within Your ISA Portfolio. These errors may occur as a result of Our actions, or those of a third party such as a Fund manager or Our nominated stockbroker.

If We are responsible for the error, We will place You back in the position You would have been in had the error not occurred in accordance with applicable regulations. Where, due to circumstances beyond Our control, We are unable to do this, We will make suitable arrangements to compensate, which may be by way of a one off ex-gratia payment.

If the error has occurred due to the actions of a third party, although We do not accept responsibility for such errors, We will take reasonable steps to seek payment of compensation from the third party concerned on Your behalf.

(viii) Fund Closure/Suspension or Deferment

In the event that a Fund manager closes or otherwise makes Funds unavailable or We are unable to continue administering Investments in a Fund and this affects You, We will, where possible, notify You or Your adviser and request reinvestment instructions 30 days in advance. We will do this unless external factors beyond Our control mean that only a shorter notice period is possible. We reserve the right to move all assets held within the affected Fund to cash pending reinvestment instructions from You or Your advisers. We will not be held liable for losses You may incur as a result of this action or whilst awaiting reinvestment instructions.

(ix) Fund Suspension/Deferment

In the event that a Fund Manager suspends or defers dealing in a Fund and this affects You, We may delay any transaction requests You make to Us until such time that the Fund Manager removes the deferment or suspension.

(x) Counterparty default

Capital is at risk if the underlying financial institution fails or becomes insolvent.

16. Closing Your Portfolio

You may instruct Us to close Your ISA Portfolio at any time. Please note that You may get back less than the amount You initially invested if You do so.

When closing Your ISA Portfolio We will deduct outstanding charges due.

Where sums are due and payable We will make all reasonable efforts to contact You to effect the payment. If We are unable to contact You the Funds will remain in an interest bearing client account and continue to be treated in accordance with the client money rules.

We reserve the right to retain any interest, tax reclaims or dividends received following the closure of Your ISA Portfolio where such amounts are less than £5.00.

Upon closure of Your Portfolio Your regular Payments will cease.

The Investments in Your ISA Portfolio, or the proceeds thereof, can be transferred to another ISA plan manager. Alternatively, You may encash Your ISA Portfolio at any time.

Death

In the event of Your death all tax exemptions will cease. We will await instructions from the personal representatives of Your estate before disinvesting other than where automatic disinvestment is required to pay for charges. No further trading or switching will be allowed. The values of the investments will be those that apply at the date of disinvestment. No payment will be made until all Our reasonable requirements have been met. Where We have paid an income tax reclaim payable after the date of death, We are obliged to repay it to HM Revenue & Customs. Interest paid on the proceeds and cash balances after the date of death will be subject to deduction of income tax.

Business in Hand

Closing Your ISA Portfolio does not affect any transaction initiated before the closure began. These terms continue to apply until We complete all outstanding transactions or meet all liabilities.

17. Communication

You may communicate with Us in writing, by telephone or by email, although We may require certain instructions to be given to Us through a specific medium.

For Your own protection and also for Our own training purposes, telephone calls may be recorded.

You must give Us any information We reasonably request to be able to provide the services for Your ISA Portfolio. For example, You must notify Us of any change in Your postal address.

We may accept instructions from either You or Your adviser, where Your adviser has been properly authorised to give such instructions.

18. Website

Our website will normally be available for access 08:00 – 22:00, 7 days a week. There may be occasions, however, when this is not possible. For example, if We suspend services for repair, maintenance, or for reasons beyond Our control. The website is designed to support a number of leading software applications. In the event that You are unable to access the website You can contact Us by telephone on any Business Day on 0845 075 6655.

Investment data is supplied to Us by third parties. All figures are in Sterling terms unless otherwise stated and are based on the information supplied to Us and accepted in good faith. Whilst We make every effort to ensure the accuracy of information posted on Our website and communicated to clients We cannot accept responsibility or be held liable for any inaccuracies or errors which may subsequently lead to loss.

19. Changes to Terms and Conditions

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

- To respond, in a proportionate manner, to changes in the way We administer investments/products of this type
- To respond, in a proportionate manner, to changes in technology or general practice in the Life, Pensions and Investments industry.
- To respond, in a proportionate manner, to changes in taxation, the law or interpretation of the law, decisions or recommendations of an Ombudsman, Regulator, or similar person, or any code of practice with which We intend to comply.
- To correct errors, if it is reasonable to do so.

If We consider any changes to these Terms and Conditions to be to Your advantage or necessary to meet regulatory requirements, We may make the change immediately and tell You at a later date. We will tell You in writing of any change We consider is to Your disadvantage (other than any change necessary to meet regulatory requirements) at least 60 days before the change becomes effective, unless it is not possible for Us to do this, in which case We will give You as much notice as We can. For example, You must notify Us of any change to your postal address and email address.

20. Cancellation

We provide you with the ability to cancel Your ISA. If You wish to cancel You must complete and return the Cancellation Notice (which we will send you when opening Your ISA Portfolio) to Us within 14 days of receipt. On receipt of Your Cancellation Notice We will return the original amount invested less any fall in market movement. If You don't exercise Your right to cancel within the specified timescales, Your ISA Portfolio will continue.

Cancellation applies only when You make Your first Payment into Your ISA Portfolio.

In the event of a cancellation notice being exercised in respect of a plan transfer You will have one of the three following options, subject to agreement by the relevant parties;

- Transfer the assets back to the original ceding plan manager. They are not obliged to accept this and should they decline Your tax privilege status could be lost.
- Transfer the assets to a new plan manager.
- Instruct Us to convert the assets to cash for payment to You. This option will result in a loss of tax privilege status for Your ISA Portfolio.

21. Liability

We will exercise due care and diligence in the management of Your ISA Portfolio.

Aviva or its associated companies will not be responsible for any loss of opportunity whereby the value of investments could have been increased, or for any decline in the value of investments or any taxation charges, unless such decline or loss or charge is the direct result of Our fraud, willful default or negligence.

We shall not be liable or have any responsibility for any loss or damage You incur or suffer as a result of any event or circumstance not reasonably within Our control including:

- Failure, interruption or delay in the performance of Our obligations resulting from the breakdown, failure or malfunction of any telecommunications or computer services;
- Industrial disputes;
- Failure of third parties to carry out their obligations;
- Acts of governmental or other similar authorities; or
- Terrorist acts.

Any news, prices, opinions and other information which We may provide to You is provided solely to enable You to make Your own Investment decisions and does not constitute personal Investment recommendations or advice.

We will only accept responsibility for losses where We are directly at fault.

22. Conflicts of Interest

Occasions can arise where Aviva Wrap UK Limited, Aviva plc group Companies, or their appointed officers, will have some form of interest in business which is being transacted.

If this happens, or the Aviva Group becomes aware that its interests, or those of its officers, conflict with Your interests, We will take all reasonable steps to manage that conflict of interest, in whatever manner is considered appropriate in the circumstance. This will be done in a way which ensures all customers are treated fairly and in accordance with proper standards of business.

Further details of Our conflicts of interest policy are available on request.

23. Termination

We may terminate Your ISA Portfolio on giving You written notice if:

- it becomes impossible to administer in accordance with any relevant Regulations.
- You are in breach of the Regulations or legislation.

We may close Your ISA Portfolio, on giving You 60 days notification, if We cease to act as a plan manager for any reason or if, in Our opinion, it becomes unfeasible to continue to administer Your ISA Portfolio.

Your ISA Portfolio will terminate automatically and with immediate effect if it becomes void under the ISA Regulations. We will notify You in writing if Your ISA Portfolio becomes void and the reason for the voiding notice. Please refer to Your adviser for further information on ISA eligibility requirements.

If Your ISA Portfolio is voided We will sell the assets held within Your ISA Portfolio and pay the cash proceeds to You. This will be net of any tax repayment that must then be paid back to HM Revenue & Customs.

24. Governing Law

These Terms and Conditions are governed by the laws of England and Wales.

We will always write and speak to You in English.

25. Miscellaneous

(i) Where appropriate, words in the masculine include the feminine and words in the singular include the plural and vice versa.

(ii) Section headings and sub-headings have been inserted for convenience only and do not form part of the Terms and Conditions.

(iii) These Terms and Conditions do not give any rights to any person other than You and Us. You and We may amend or cancel this agreement without reference to, or the consent of, any other person.

(iv) Delegation

We may appoint any person to advise on or perform any of Our functions or responsibilities. We will satisfy Ourselves that any person to whom We delegate any such functions or responsibilities is competent to carry out those functions or responsibilities.

(v) Fund Information

Copies of a Fund's interim and annual Reports and Accounts, Prospectus or other similar material are available via Our website. If You wish to attend or vote at general meetings of any Funds, You should write to Us.

(vi) HM Revenue & Customs

You authorise the plan manager to provide HM Revenue & Customs with all relevant particulars of Your ISA Portfolio and its Investments which HM Revenue & Customs may reasonably request at any time.

