

# Penny Terms and Conditions

Penny is the trading name of Penny Technology Limited, a company registered in England (registered number 11999643) and registered office at Unit 4.6 Paintworks, Bath Road, Bristol, BS43EH.

Penny does not provide pensions, investment, financial, legal, or taxation advice or any recommendations in relation to the Scheme (as defined below). Nothing in these terms & conditions or any other documents or communications with Us (written or oral) should be taken to constitute pensions, investment, financial, legal, or taxation advice.

Your Penny Pension Plan is a vehicle through which You can consolidate your existing qualifying pension arrangements. Once you reach the age of 55, you may choose to access Your pension savings (e.g. in the form of drawdown, taking a lump sum or drawing a regular pension). If you choose to take pension benefits from your account then you should seek financial advice.

Any investments provided through the Penny Pension Plan (including but not limited to the Scheme) can go down in value as well as up and Penny is not liable for any losses You incur (including but not limited to any taxation liabilities).

The Penny Terms and Conditions together with the other documents specified in clause 1 below create a legally binding agreement between You and Us. Please read these documents and the relevant Scheme fact sheets and disclosure documents carefully and ensure that you understand them. For your own benefit and protection, You should consider taking independent financial, investment and/or legal advice. If You do not agree with any of the terms set out in the aforementioned documents, You should not use Our Services.

## 1. Definitions

“Agreement” - the three documents comprising the Penny Terms and Conditions, Fees Guide and the Product Provider Terms and Conditions.

“Annual Fee” – the annual charge of 0.75% or 0.78% of the total assets in Your Penny Pension Plan. This charge is subject to change. We will notify You sufficiently in advance of any change.

“App” - the Penny mobile application which You download onto Your iOS/Android smartphone.

“Assets” - any Investments or cash held in Your Penny Pension Plan.

“Business Day” - any day which a bank in the UK would normally be open for business but not including a Saturday, Sunday or any public holiday.

“Cash” - to include funds paid as electronic payment but not physical cash and notes.

“Client” - “You”, “Your” and “Yourself.”

“Client Reference” - the unique reference given to You when you open a Penny account.

“Collective Investment Scheme” - a Unit trust scheme, OEIC or recognised scheme as defined in the FCA rules.

“Contribution” - any Cash payment into Your Penny Pension Plan. Contributions are not yet available in the Penny app.

“Corporate Action” - any actions such as takeover, rights issues, mergers and conversion that would have an effect on Your Penny Pension Plan.

“ETI” - Exchange Traded Instruments.

“FCA” - The Financial Conduct Authority at 12 Endeavour Square, London E20 1JN.

“FCA Rules” - The Rules and guidance given to the UK financial services industry as amended from time to time.

“Fees Guide” – the document entitled “Fee Guide” as amended from time to time, also available in Our App.

“Fees” – the Annual Fee and any other fees applicable (see the Fees Guide).

“Finance Act” - is The Finance Act 2004 as amended and enacted from time to time.

“Force Majeure” - means any circumstance not within a Party's reasonable control including, without limitation: acts of God; flood; drought; earthquake or other natural disaster; epidemic or pandemic; nuclear, chemical or biological contamination or sonic boom; or interruption or failure of utility services.

“FSMA” - The Financial Services and Markets Act 2000, as amended and enacted from time to time.

“Fund” - the Fund into which the assets transferred from Your Qualifying Pension Arrangements are invested, together with any Contributions paid by You.

“Fund Provider” - the manager or distributor of Your Fund.

“HMRC” - His Majesty's Revenue and Customs.

“Investment” - a bond, share or other financial product also including units in funds or as otherwise stated.

“Key Facts” - the description in the Regulatory Requirements which sets out the high level aims and particular features of Your Penny Pension Plan, as amended from time to time.

“Key Information Document” - as described in the PRIIPs regulation (Regulation (EU) No 1286/2014 of the European Parliament and of the Council).

“Key Investor Information Document” - is the Key investment information document or equivalent document for a fund.

“Natural Person Identifier” - Your UK National Insurance Number.

“Nominee” - means a firm appointed by Us in whose name investments made under Your Penny Pension Plan will be registered.

“Normal Minimum Pension Age” – is as defined in the Finance Act (currently age 55, increasing to age 57 on

April 2028 and subject to further legislative and/or regulatory change) “OEIC” - means an open ended investment company.

“Onfido” – Onfido Ltd, registered number 07479524, who conduct identity verification services on behalf of Penny.

“Order” - are the instructions received to execute a purchases, transfers, sales or any such other transactions, confirmed by You, in a Permitted Investment for Your Penny Pension Plan.

“Parties” - to include all or any of the Parties to this Agreement, that work either on Our behalf or Your behalf as Your agent.

“Partner(s)” - Quai or any other such firms as we may appoint in respect of Your Penny Pension Plan either on Our behalf or Your behalf as Your agent.

“Permitted Investments” - this is the range of investments for which You can place an order through Your Penny Pension Plan.

“Penny” – Penny is the trading name of Penny Technology Limited, registered number 11999643, with registered address at Unit 4.6 Paintworks, Bath Road, Bristol, BS43EH, authorised and regulated by the Financial Conduct Authority (No. 931299). “We”, “Us”, “Our” and “Ourselves”.

“Penny Pension Plan” - a personal pension account and the entitlements you have under the Scheme and from which Your benefits are provided.

“Penny Pension Plan Benefits” - what may be paid to You or Your assigns through Your Penny Pension Plan.

“Personal Pension Account” - Your Personal Pension account or any other arrangement which is under a Registered Scheme.

“Personal Representatives” - a person who has obtained probate, confirmation or letters of administration on Your death (or such individuals who We are reasonably satisfied are legitimate persons for Us to take instruction from in relation to Your estate; this if no person has applied for probate, confirmations or letters of administration).

“PRIIP” - a packaged retail and insurance-based investment product including certain regulated investments schemes, structured investment products, alternative investment funds that are not exempt Collective

Investments Schemes (as defined in FSMA) and debt securities as amended and enacted from time to time.

“Privacy Policy” - Our policy which is available to view online and covers Your personal data rights and confidentiality as amended from time to time.

“Product Provider Terms and Conditions” – the document entitled “Product Provider Terms and Conditions”, available in Our App as amended from time to time.

“Quai” – Quai Investment Services Limited (QISL), who are authorised and regulated by the Financial Conduct Authority (FCA Registration Number 922590) or such other provider as We may nominate from time to time.

“Qualifying Pension Arrangements” – Your defined contribution occupational and personal pension arrangement that are registered with HMRC which are eligible to be transferred to you Personal Pension Account.

“Registered Scheme” - A registered Pension scheme under the Finance Act.

“Regulatory Requirements” - any obligation that We or any other relevant person has to comply with under any law or regulation which is relevant to the content of this agreement as amended and enacted from time to time, in particular the Finance Act and FSMA.

“The Scheme” – a Registered Pension Scheme established by Trust Deed and Rules, as amended from time to time, known as the Penny Pension Scheme.

“Scheme Operator” – Quai or such other scheme operator as We may appoint from time to time.

“Scheme Trustee” – Quai Trustees Limited or such other scheme trustee as the scheme operator may appoint from time to time.

“Security Details” - passwords, security, security questions and answers and personal identification numbers and account numbers.

“Services” - the services We and Our Partners provide to You under the Agreement.

“Taxation of Pensions Act” - the Taxation of Pensions Act 2014 Act as amended, re-enacted or replaced from time to time.

“Tax Year” - from the 6th April in any Year.

“Terms” – the document entitled “Penny Terms and Conditions”, (i.e. this document) as amended from time to time (also available in Our App).

“Tools” - the tools in the App which We provide so that You may receive information through them.

“UCITS” - a Scheme structure as an undertaking for a collective investment in transferable securities.

“Unit” - a share or unit in a fund.

## 2. Our Agreement with You

- a) Our Agreement with You consists of:
  - i) Our Terms;
  - ii) the Product Provider Terms and Conditions;
  - iii) the Key Features Document; and
  - iv) the Fees Guide.

## 3. Overview of Our Service

- a) We provide You with a Personal Pension via Your Penny Pension Plan.
- b) We bring together all the necessary Partners to make Your Penny Pension Plan work.
- c) We relay Your communications with the Scheme Operator to You.
- d) We relay your Orders for investment to the Scheme Operator.
- e) We also provide to You, as part of Our Services, details of Your Penny Pension Plan. Such information includes;
  - i) the value of Your Penny Pension Plan;
  - ii) the total value of Your contributions to Your Penny Pension Plan;
  - iii) the details of the current investments in Your Penny Pension Plan; and
  - iv) details of any workplace pensions We can locate for You.
- v) Where possible, We will update the information stated in (i) to (iii) above on a daily basis although it may not be possible to always do this due to elements that are beyond Our reasonable control.

## 4. Your Penny Pension Plan

- a) The type of account We offer to You is a Personal Pension Account, and we offer this to you through Our App.

- b) We provide Tools, through Our App, which enable You to make Your own choices as to how much cash You contribute into Your Penny Pension Plan.
- c) We advise that You speak to a lawyer, accountant or any other qualified financial advisor who specifically deals in personal pensions for such financial advice as You may require.

## 5. The Scheme

- a) By agreeing to Our Terms, You are also agreeing to the Product Provider Terms and Conditions.
- b) When We open a Penny Pension Plan for You, You become a member of the Scheme.
- c) The Scheme is registered with HMRC and provides pension benefits for You and death benefits to such of your dependants as may be determined by the Scheme Trustee (note that You may indicate your preferred beneficiaries through signing an expression of wish form which you should review and, if necessary, update from time to time.
- d) The Scheme Operator is the operator and administrator of The Scheme.
- e) The Scheme Trustee is the trustee of The Scheme.
- f) The Scheme is governed by the Product Provider Terms and Conditions and such rules may be amended or varied from time to time.
- g) You can view the Product Provider Terms and Conditions, in Our App (go to Settings, then Documents).
- h) In the future, We may decide to change The Scheme to a new Registered Scheme. You authorise and instruct Us to instruct Our Partners and You also authorise and instruct Our Partners to give effect to Your instructions, to transfer the contributions and Investments held in Your Penny Pension Plan to the new registered pension scheme. We will provide You with details of any new Registered Scheme and the transfer process ahead of any such move.

## 6. Pension Finding Service

- a) When You sign up to Penny, We ask you to provide information about Yourself (such as Your name and date of birth). We use this information to locate Your pension arrangements on Your behalf in order to determine which are Qualifying Pension Arrangements (the "Pension Finding Service").
- b) By signing up to Penny, you authorise Penny to:
  - i) perform a "soft" credit check in order to ascertain key information, such as Your former names and addresses and other information to assist Us with locating Your Qualifying Pension Arrangements; -
  - ii) search for Your pension arrangements which are in existence at the date on which You sign up to Our Terms and to transfer Qualifying Pension

Arrangements to Your Penny Pension Plan. We may (but are not obligated to) transfer other Qualifying Pension Arrangements to Your Penny Pension Plan after this date if You instruct Us to;

- iii) search for and transfer Qualifying Pension Arrangements with Penny's supported pension providers. This includes but is not limited to: Aegon, Aviva, Creative Pension Trust, Clerical Medical, Fidelity, Hargreaves Lansdown, Legal & General, Moneybox, NEST, NOW Pension, Pensionbee, People's Pension, Phoenix, Prudential, Reassure, Royal London, Scottish Friendly, Scottish Widows, Smart Pension, Standard Life, and True Potential;
  - iv) communicate with the providers and/or trustees of Your existing pensions in your place to obtain relevant information from about Your pensions, or arrange the transfer of Your existing pensions. Additionally, by signing up to Penny, You grant Penny limited power of attorney for the sole purpose of locating Your pensions and transferring Qualifying Pension Arrangements to Your Penny Pension Plan; and
  - v) communicate with Your previous employers to obtain relevant information about Your pensions. You authorise Penny to share Your personal information with your previous employer in order to assist with the pensions search.
- c) To locate Your pensions, Penny will communicate on Your behalf with the providers and/or trustees of Your existing pensions arrangements. To communicate with the pension providers, Penny may use one or multiple methods of communication, including but not limited to those listed below:
- i) Letters of Authority (LOA): This will be a standard LOA which contains an electronic or physical (wet ink) copy of your signature. You authorise and agree to Penny generating and using a wet ink copy of Your signature on Your behalf;
  - ii) activating/registering Your online pension account with Your pension provider;
  - iii) emails;
  - iv) phone calls; and
  - v) physical post.
- d) By authorising Us to search for Your pension arrangements and agreeing to use Our Pension Finding Service to do so, You agree to allow Us to use Your personal information (including but not limited to Your personal data and any approved form of Your signature that You provide us) to identify You to Your existing pension providers and to any other person or organisation who may be able to assist Us in locating Your pension arrangements, if they so request.
- e) In order to locate Your pension arrangements, We will use a standard letter of authority which You agree to sign. This will confirm to the pension provider or any other person or organisation who may be able to assist Us in locating Your pension arrangement Your authority for Us to act on Your behalf if they so request.
- f) You agree to cooperate with Us to complete the necessary requirements in order to transfer Your Qualifying Pension Arrangements to Your Penny Pension Plan

mandated by the Your existing pension providers. This may include (but is not limited to) signing consent forms and providing confirmation that You are happy for the transfers to proceed.

- g) We do not promise that We will be able to locate and/or transfer any or all of Your pension arrangement. Also, we are unable to guarantee the accuracy of information from third parties provided in relation to Your existing pension arrangements. We do not accept liability for any default or mistakes by any third party who has provided Us information about Your pensions or resulting mistakes or inaccuracies.
- h) In order to comply with Regulatory Requirements, We will restrict our answers to questions from third parties for the purposes of Our Pension Finding Service to information that You have provided to Us. We are not able to advise You on Your investment decisions, the suitability of transferring Your pension arrangements or whether You should proceed with Penny. We recommend that You seek advice from an independent financial advisor in relation to Your pension arrangements and any related regulatory, legal, tax or investment matters.

## 7. Consolidating Your Qualifying Pension Arrangements

- a) When We have located Your Qualifying Pension Arrangements, We will contact the pension providers and advise them that You wish to transfer Your pension benefits to Your Penny Pension Plan.
- b) If We do not receive a response from the relevant provider, We will contact them again. You understand that We cannot compel any provider to communicate with Us and that any delays in the correspondence process will delay the investment of monies into Your Penny Pension Plan.
- c) We shall not be liable for any delays in the transfer process.
- d) Before the Qualifying Pension Arrangement provider can transfer Your benefits into Your Personal Pension Account, You may need to provide Us or them with additional information and You agree to provide this.
- e) You are responsible for paying any and all exit fees connected with the transfer of benefits from Your Qualifying Pension Arrangements to Your Penny Pension Plan.
- f) You are responsible for being aware of any non-standard features associated with Your Qualifying Pension Arrangements, including but not limited to, protected retirement ages, defined benefit underpins, life assurance benefits, guaranteed benefits and guaranteed annuity rates. You are aware that any such benefits will be lost if Your benefits are transferred to your Personal Pension Account.



- g) We will transfer ALL the accrued pension benefits from Your Qualifying Pension Arrangements that We are able to locate into Your Personal Pension Account without further recourse to You except that We will not transfer accrued benefits in a Qualifying Pension Plan to Your Penny Pension Plan if You or Your employer are actively making contributions into the Qualifying Pension Plan.
- h) If You or Your employer are not actively making contributions into the Qualifying Pension Plan, but the Provider of the Qualifying Pension Plan has not received notice that the plan is paid-up/will not receive further contributions, You instruct Penny to request that the provider updates their records to show that the Qualifying Pension Plan is paid-up and that You are a deferred rather than an active member.

## 8. The Services We Do Not Provide

- a) We do not:
  - i) give any advice on any pension arrangement or financial matter, whatsoever, to You; or
  - ii) hold any cash deposits, however the Scheme Trustee does hold cash.

## 9. Opening Your Penny Pension Plan

- a) It is entirely Your decision to open a Penny Pension Plan, You must decide as to its suitability for Your circumstances.
- b) The following shall apply in relation to Personal information and identity verification:
  - i) You will be asked to provide certain personal information, and this information will be dealt with under and in accordance with Our Privacy Policy;
  - ii) You authorise Us to conduct checks to verify your identity and to confirm that You have never been involved in any fraudulent activities;
  - iii) identity verification checks will be conducted by a third-party, Onfido, who will have access to Your identity verification documents (for example, a photocopy of Your driving licence);
  - iv) We decide at Our absolute discretion on Your eligibility to open a Penny Pension Plan; and
  - v) We are under no obligation to explain Our reasons for refusing Your application to open a Penny Pension Plan.
- c) When We arrange to open Your Penny Pension Plan for You, You acknowledge and agree that You are subject to the Agreement and You and Your Penny Pension Plan will be subject to them. You also acknowledge and agree that:
  - i) this document (Terms) and the documents and policies it refers to as amended from time to time;

- ii) the Agreement supersedes all previous arrangements and agreements (if any) relating to the matters with which it deals;
  - iii) the Agreement represents the entire understanding and contains the whole agreement between Us and You and supersedes and replaces any prior written or oral agreements, representations or understanding between Us and You. You confirm that you have not entered into this Agreement on the basis of any statement or representation that is not expressly incorporated into the Agreement. Nothing in the Agreement excludes liability for fraud;
  - iv) You must read and agree to be bound by the Agreement; in opening a Penny Pension Plan it is deemed that You have done so; and
  - v) if at any time You do not agree with the Agreement, You must not either open a Penny Pension Plan or You must no longer continue with Your Penny Pension Plan.
- d) You may not open a Penny Pension Plan jointly with any other person.
  - e) You may not open a Penny Pension Plan for any person under the age of 18, whether or not You are their parent or guardian.
  - f) You must be the age of 18 or over to open a Penny Pension Plan.
  - g) You must complete the application process via the Penny app.
  - h) You must answer all questions truthfully and honestly.
  - i) You must only present truthful and honest facts when filling in required details on the questionnaire and:
    - i) if We or the Scheme Operator find, at any time, Your application was dishonest, We and They reserve the right to close Your Penny Pension Plan without notice to You; and
    - ii) if, on application, You do not meet all of the requirements of Penny You will not be able to open a Penny Pension Plan. We are the final arbitrators of this and there is no right of appeal.
  - j) You must at the time of application to open a Penny Pension Plan be:
    - i) solely resident in the UK for Tax purposes; and
    - ii) have a permanent address in the UK.
  - k) You may not open an account if You are a citizen of the USA or You are opening an account on behalf of such a person.
  - l) We cannot open a Penny Pension Plan for any person who has dual tax residency.
  - m) If You are resident in the UK for tax purposes but later stop being so You may, at Our sole discretion, continue to hold open Your Penny Pension Plan but no further contributions or transfers can be made.
  - n) We may, at Our sole discretion, request evidence of Your identity and Tax residency.

## 10. The Management of Your Penny Pension Plan

- a) Your responsibilities in this area are as follows:

- i) You must ensure that at all times You comply with all applicable laws and regulations; and
  - ii) You must at all times account for and pay to HMRC (UK) any relevant taxes related to Your pension.
- b) Once Your Penny Pension Plan is open, We may contact You:
- i) from time to time about Your Penny Pension Plan, Your contributions or other aspects of Our Service;
  - ii) by phone through the number You provided;
  - iii) through any other platform with which You use to access Our Service;
  - iv) by writing to You at the address You provided; or
  - v) through Your Email address which You provided.
- c) It is Your responsibility to give Us instructions that are clear, accurate, complete and unambiguous;
- d) This is how We operate Your Penny Pension Plan:
- i) We will only make any payments as instructed to do so into an account which is in the name of the Penny Pension Plan holder and in the UK;
  - ii) We instruct Our partners on Your behalf. We acknowledge and agree that We will only take instructions from You; and
  - iii) You provide us with the details and documentation referred to in clause 6 (Pension Finding Service) and authorise us to create and enter into documents and agreements on your behalf in order to facilitate the transfer of the funds from Your Qualifying Pension Arrangements into Your Penny Pension Plan.
- e) We may refuse or delay such instruction in the following circumstances:
- i) If such instructions would breach FCA rules or any other regulations to which We adhere;
  - ii) If We are unable to verify Your personal details or identity;
  - iii) If You have given instructions and We have requested any documentation which has not been provided or is incomplete; or
  - iv) You give instructions which are ambiguous or unclear in any way.
- f) We will not be held liable for any losses that You incur in Your Penny Pension Plan.

## 11. Delay Period

- a) When You request a pension transfer from an Authorised Pension Arrangement or We transfer funds from an Authorised Pension Arrangement to Your Penny Pension Plan, there may be a delay period before the transfer completes.
- b) The Delay Period may last up to 180 days.
- c) We do not accept any liability for losses incurred by You (whether direct or indirect and howsoever occasioned) arising as a result of any Delay Period.

## 12. The Security of Your Penny Pension Plan

- a) We will provide You with Security Details with which to access Your Penny Pension Plan. These and only these must be used when wishing to gain access to it or giving Us instructions.
- b) In relation to Your Security Details and Your use of them, You agree that:
  - i) You must not disclose them to any other person;
  - ii) You will not be asked for Your password over the phone or email, do not disclose it in that way;
  - iii) if You instruct Us using Your Security Details, which We will authenticate, We will act upon those instructions and will not be held responsible for those actions unless You had, prior to the instructions, informed Us sufficiently in advance of a breach of Your Security Details; and
  - iv) if You suspect that any of Your Security Details or access details have been disclosed or obtained by any unauthorised person in any way You must:
    - a) change Your Security Details immediately; and
    - b) inform Us immediately.
  - v) We will act on any instructions from You which are in accordance with Our stated Terms and, in Our reasonable opinion, appear to be valid at the time of receipt. We have no duty to make any further enquires.

## 13. Contributions to Your Penny Pension Plan

- a) It is currently not possible to make Contributions (except transfers) to Your Penny Pension Plan. This capability may be added in the future. The following rules apply to future contributions.
- b) In making any Contribution, on a regular or single basis, to Your Penny Pension Plan through the App, You must at all times observe the rules which are applicable to registered pension schemes and the rules We set out which show Our partners' terms. Our Key Feature Documents sets out Our current provisions for how to make any Contributions and/or transfer payments into Your Penny Pension Plan.
- c) Your Contribution is automatically transferred to Your Penny Pension Plan and used to buy more units of Your Fund.
- d) If You become ineligible for Your Penny Pension Plan, no further Contributions or transfers will be added to Your Fund once the ineligibility applies.
- e) We reserve the right to decline to accept from You any Contribution or transfer entirely at Our discretion. We do not need to give a reason for this, but it could be because it does not comply with the requirements of the Scheme Rules or the Finance Act or is not a Permitted Investment.

- f) We may, without Your authority, refund any Contribution or transfer made in error to Your Penny Pension Plan, in whole or in part, subject to restrictions imposed by Regulatory Requirements.

## 14. Transferring into Your Penny Pension Plan

- a) You may only transfer to Your Penny Pension Plan, Permitted Investments available through Your Penny Pension Plan, from a scheme which is an Authorised Pension Arrangement. All other transfers or contributions must be cash.
- b) If You wish to transfer from another pension that has been used for income withdrawal such transfer will only be accepted by Us if it does not prejudice the Scheme's status as a registered pension scheme.
- c) If You transfer Units which are a class that is able to distribute income once transferred, We will require further instruction from You on how to deal with that income.
- d) Following a transfer of any investments, there may be a delay whilst our current provider processes the transaction, We are not responsible for any delay in these circumstances and do not accept any liability for losses incurred by You (whether direct or indirect and howsoever occasioned) arising as a result of any delay.
- e) We will use Our reasonable efforts to facilitate such transfer.

## 15. Transferring out of Your Penny Pension Plan

- a) Transfer outs can be done by contacting Us via Live Chat in Our App or via email.
- b) To proceed with the transfer out, You must complete and return this Form to Us at Our registered address and provide such information to Us as We or Our Partners may reasonably request.
- c) We or our Partners may refuse to process a transfer request in circumstances where We or Our
- d) Partners conclude that there is a red flag present for the purposes of The Occupational and Personal Pension Schemes (Conditions for Transfer) Regulations 2021 indicating elevated risk of pensions fraud and We have not received sufficient information from You to determine on the balance of probabilities that such risk does not exist.
- e) Once all transactions have been enacted and settled We will:
- f) forward any and all Assets from Your Penny Pension Plan to such other person or scheme as instructed provided We are able to do so under the Regulatory Requirements, subject to d) above;
- g) ensure that We have deducted any sums which are due to Us including from other accounts with Us, should there be insufficient cash to do so We will sell

investments to enable full payment of any sums due to Us, this prior to forwarding assets; and

- h) Our services are stopped or suspended We can hold any proceeds or sell any assets in Your Penny Pension Plan until We receive Your instructions.
- i) We will have no further liability toward You or Your Scheme once the transfer of Your Assets have taken place. Such closure will not affect any legal rights or obligations that may have already arisen.
- j) Once the transfer out process is complete, the value of the Assets in Your Penny Pension Plan will be zero and Your Penny Pension Plan will be closed.

## 16. Your Fund

- a) Your Fund for Your Penny Pension Plan is, by default, the HSBC Global Balanced Portfolio Class C or such other default fund as we may nominate from time to time. Where a new default fund is nominated, We will give you at least 30 days' notice prior to transferring your benefits. This notice will include details of the new default fund, including its charging structure, together with details as to how the fund is invested.
- b) In the future, if You contribute money, or transfer cash into Your Penny Pension Plan (via Our App) this constitutes a one-off or recurring Order to purchase a number of units (proportional to your Order and dependent on the prevailing price of Your Fund) of your Fund, less applicable fees/levies.
- c) The contribution will be applied to Your Fund, subject to Your contribution being properly set-up, at the next available dealing date.
- d) When Your instructions are received an Order will be placed as soon as it is practical in Your Fund.
- e) If any contribution or transfer is received of an unexpected nature or We have reason to be concerned about its authenticity, We will not place such order until We have contacted You and You confirm to Us such order. If no confirmation is received from You within 10 Business Days the Scheme Operator may be required to return the contribution to You, or the transfer to the ceding pension provider, without placing the Order .
- f) If You instruct Us to move Your Fund to another Permitted Investment (this is called a switch), this will involve the sale of units in Your current Fund and the purchase of units in your new Fund, this sale and purchase normally takes place at the end of the working day following Your instructions to Us. During this period Your money may not be invested in either Fund.
- g) If the Scheme Trustee holds cash on Your behalf at any time, no interest is payable. Should this change and interest become payable it will be retained by Our partners unless We advise You otherwise this including the retaining of interest (as a percentage or as an actual amount) that as a ratio from the gross interest received and disclosed to You. You expressly consent to this.

## 17. Permitted Investments

- a) The current Permitted Investments are set out in Our App and in the Schedule of Allowable Investments.
- b) If the Permitted Investments alter within Your Scheme at any time, and We may alter them, this may require Us to sell the Investments which have been removed, or if We are permitted by Regulatory Requirements make a transfer or withdrawal.
- c) We will notify You via Our App of the changes and Your options if this affects Your Penny Pension Plan.
- d) What We need from You to be able to place an order:
  - i) Forename;
  - ii) Surname;
  - iii) Date of Birth;
  - iv) Nationality; and
  - v) Natural Person Identifier.
- e) These details will be held by Us to enable Us to meet Our regulatory obligations.
- f) Your Assets as held in Your Penny Pension Plan may contain their own charges (such as initial charges, ongoing charges, dilution levies). These charges are all contained in our Annual Fee.
- g) We and Our Scheme Operator may, from time to time, make use of an independent stockbroker whilst dealing with Your Penny Pension Plan.
- h) Whilst Your investments are held in Your Penny Pension Plan they may not be used as any form of security for a loan.

## 18. The Fees for Your Penny Pension Plan

- a) Please see Our Fee Guide for more detail on Our Fees.
- b) There is a Simple Annual Fee of 0.75% per year for the Balanced and Cautious plans, and 0.78% per year for the Ethical plan: This Fee is:
  - i) charged on the last day of each calendar month, and is pro-rated to 0.0625% or 0.065% per month;
  - ii) applied to the value of the Assets in Your Penny Pension Plan; and
  - iii) subject to change provided we give you sufficient notice of any change in advance.
- c) If We cease trading, there may be a Fee for transferring out Your pension to another Registered Scheme.
- d) There are no other fees related to Your Penny Pension Plan.

## 19. Taking Benefits From Your Penny Pension Plan

- a) You may make an application to take benefits from Your Penny Pension Plan.
- b) Your application to take benefits must be made using the relevant form which is made available to You in Your online account.
- c) Your application to take benefits will be processed in accordance with all relevant HMRC and Department of Work and Pensions (DWP) rules.
- d) Please see the section named 'Taking Benefits' in the document named 'Product Provider Terms & Conditions' for further details.

## 20. Closing Your Penny Pension Plan

- a) Your Penny Pension Plan can be closed only in the following ways:
  - i) You request to transfer the monies (cash transfer) or the assets (in specie transfer, if permitted by your new pension provider) in Your Penny Pension Plan to another scheme;
  - ii) You write to us within 30 calendar days of opening your Penny Pension Plan, requesting to close your Penny Pension Plan (“Right of termination”);
  - iii) Closure by Us: when Your Penny Pension Plan contains zero value and We notify You of Our intention to close;
  - iv) The exercise of any other option permitted under the Regulatory Requirements; or
  - iv) Upon death.
- b) Closure by You:
  - i) You may tell us that You want to close Your Penny Pension Plan, by giving written notice. We will process all outstanding orders and payments due on Your Penny Pension Plan as soon as reasonably practicable and transfer any remaining Assets in Your Penny Pension Plan to another Scheme.
  - ii) Up to the completion of Your instructions to close or other such instructions Our charges will continue to apply. To complete the closure You will need to give Us instruction through the App.
- c) Closure by Us: We may immediately suspend or close Your Penny Pension Plan and end this agreement between Us by giving You written notice if:
  - i) for a period of six (6) months there are no assets in Your Penny Pension Plan;
  - ii) You do not provide Us with evidence, which We are satisfied with, of Your identity and thus We are unable to complete Our anti-money laundering checks;
  - iii) You are in material breach of these Terms;
  - iv) We are obliged to by law or cannot meet Our regulatory obligations;
  - v) sums due under these Terms remain unpaid;
  - vi) Your behaviour is deemed, by Us as abusive or unreasonable;
  - vii) We are unable to contact You after using reasonable efforts;



- viii) We are unable to ascertain by reasonable effort who is the owner of the assets in Your Penny Pension Plan is;
  - ix) You are using Your Penny Pension Plan for illegal purposes or for market timing, to provide business services to another person or any other such similar activities; or
  - x) You have or did give Us false or inaccurate information, but for which We would not have opened any Penny Pension Plan or because of which We are no longer able to provide Our Services to You.
- d) The effect of closure, when the closure notice is served is as follows:
- i) You must settle all sums due and payable no matter what circumstances they become so;
  - ii) We will execute any current authorised instructions but will not accept any new instructions;
  - iii) once all outstanding transactions have been settled We will deduct from Your Penny Pension Plan balance any sums that are due to Us from you including any sums that You owe Us in relation to any other accounts that You hold with Us (we may sell any investments within Your Penny Pension to meet any Charges due to Us if there is not enough Cash in Your Penny Pension);
  - iv) We will then forward any Assets in the Penny Pension Plan to such other registered pension scheme account or accounts in Your name, or as You direct consistent with the options available under the current Regulatory Requirements (unless We are prevented from doing so by any Regulatory Requirements); and
  - v) We will have no further liability to You once any Assets remaining in Your Penny Pension have been transferred.
- e) Dormant Penny Pension Plans will be treated as paid-up and will be held by Us until We receive further instructions from You or Your personal representatives. In certain circumstances unclaimed Investments may be realised and the Assets transferred to a charity of Our choice. We will maintain records of these events.

## 21. Transferring Your Penny Pension Plan

- a) In the future, Penny may transfer Your Penny Pension Plan to some other registered pension scheme consistent with the options available under the current Regulatory Requirements (unless We are prevented from doing so by any Regulatory Requirements), and in accordance with Penny's Terms.
- b) Penny will give 30 days' notice of any such transfer.

## 22. Dealing and Order Execution

- a) When an Order is placed the price of purchase will be determined at the next valuation point for that fund. This is referenced and calculated to the next working

day and a given specific time. Your Penny Pension Plan is updated as soon as reasonably possible but there may be a delay in doing this.

- b) When We receive an order to deal in specific funds and the Order is routed to the appropriate fund manager(s) the Order will be executed by them on the next available dealing date. They may place Your Order along and together with other orders and execute them at the same time.
- c) Should We be unable to process Your order We will inform You through the App.
- d) The time of execution of Your Order will be recorded and will be conclusive (unless it is obvious the time is recorded incorrectly).
- e) We may delay or refuse to transmit Your Order to respective fund manager under the following circumstances:
  - i) extreme market conditions exist and Our Partners or Us have suspended taking trades;
  - ii) Your Order does not meet the minimum investments criteria for the units that You want or the Order does not meet the criteria current on Our App;
  - iii) We or Our Partners do not believe that You have the legal right to/authority to deal in the investments;
  - iv) We or Our Partners feel that the proposed transaction may constitute market timing/abuse or are concerned that such an Order may cause a breach of Regulatory Requirements; or
  - v) We or Our Partners believe that the placement of the Order could give rise to a fraudulent transaction, in suspecting that the Order was not placed by someone We have agreed may operate Your Penny Pension Plan.
- f) Confirmation of Orders:
  - i) upon execution of an Order, a contract note will provide the details of the sum debited/credited to Your Penny Pension Plan;
  - ii) Your contract note will be available to view at Your request; and
  - iii) We will update Our system after We receive price confirmation from the fund provider or upon receipt of the contract note, which should be no later than the first business day after the execution of the Order.
- g) Once an Order is transmitted You are unable to cancel that Order;
- h) The following will apply in relation to order settlements:
  - i) We will delay the settlement of any Order until any prior sale or purchase has been settled, if necessary, this subject to any settlement delay being beyond Our control;
  - ii) We will debit Your Penny Pension Plan on the trade date (not the settlement date) for any purchase, therefore cash funds must be available on that date;
  - iii) when Assets are traded in ETIs, the Scheme Trustee will operate, normally, on a delivery versus payment (DVP) settlement process;
  - iv) settlement of Clients Assets will accord with market best practice; and
  - v) all Clients' money will be reconciled on a Business Day basis and Assets externally according to their type and registration.

## 23. Events and Your Rights over Your Investments

- a) Should You hold investments to which voting rights are attached, and You wish to exercise those rights please notify Us of Your wishes. We will advise You as to what can be done within the Regulatory Requirements and any attendant costs. We are not under any obligation and will not normally exercise those right on Your behalf.
- b) Due to the way in which Your investments are held under Your Penny Pension Plan, with a Nominee or third party Scheme Trustee, You may not receive the same options or treatments in respect of Corporate Action (or other events) as You would if the Investment where held in a separately designated Account. With a nominee company or Scheme Trustee in certified form 21 You will not be entitled to any shareholder perks or company privileges as if You would be if you were the registered owner of the Investment.
- c) If any of Your Investments are subject to a take-over, conversions or other offer, unless there is a facility to register fractional share or unit holdings, such offer will be rounded down to the nearest whole unit as set out in these Terms.
- d) You will not be able to benefit from any ancillary rights that may be available to direct shareholders in investments for example commercial discounts, nor will We become involved in any shareholder interest groups or the like.
- e) Your Assets will be valued daily and the value will be visible on the homepage of the Penny App.
- f) Class Actions; if We are made aware of any class actions or group litigation in respect of any of Your investments We will not;
  - i) be responsible nor participate in any such action or litigation; or
  - ii) inform You or obtain any instruction from You in relation to this.
- g) The following shall apply in relation to Reporting:
  - i) in abiding with Regulatory Requirements We provide pension statements and illustrations online;
  - ii) any concern You may have on any matter concerning Your Penny Pension Plan must be reported to Us within six (6) months, otherwise We may not be able to take any corrective action; and
  - iii) You should monitor carefully any reports We send to You and inform us of any error or omission in any contract note, if You do not receive in a timely manner any confirmation of a Trade that You are expecting or if there have been any unexpected transaction shown all in respect of Your Penny Pension Plan.
- h) We will provide You with the necessary notes, reports and notifications in relation to Your trade in order to comply with Regulatory Requirements. If requested We will arrange for paper copy statements, reports or ad hoc valuations but there may be a charge for this service, see Our Fees Guide.

## 24. Conflicts of Interest

- a) Penny is committed to maintaining the highest professional standards and, therefore, We endeavour to identify, consider and manage potential conflicts of interest to ensure that We treat all of Our customers fairly and in accordance with FCA Rules and principles.
- b) Nature of a conflict of interest:
  - i) In essence, a conflict of interest is a situation in which Penny (or any of its personnel) finds itself in a position where its own interests conflict with the duties and obligations owed to its customers or, a situation in which Penny's duty to one customer conflicts with its duty to another. For the purposes of identifying the types of conflict and potential conflicts that arise which may entail a material risk of damage to the interests of a customer, We must take into account whether Penny or its directors, employees or contractors ("Penny Personnel") or any other person linked by control to Penny:
    - a) is likely to make a financial gain, or avoid a financial loss, at the expense of a customer;
    - b) has an interest in the outcome of a service provided to a customer or transaction carried out on behalf of a customer, which is distinct from the customer's interest in that outcome;
    - c) has an incentive to favour the interest of another customer or group of customers over the interests of the customer;
    - d) carries on the same business as a customer; or
    - e) receives or will receive from a person other than a customer an inducement in relation to a service provided to the customer, in the form of remuneration, goods or services.
- c) Conflict Situations:
  - i) We have identified a number of situations which may give rise to a potential conflict of interest. These situations include, but are not limited to, the following:
    - a) We receive gifts, entertainment or other monetary and non-monetary benefits from Our service providers or business partners (for example, the fund managers of the Funds We make available to customers through the app), which could give rise to a conflict with respect to the duties that We owe to our customers;
    - b) Penny personnel who have outside commitments (e.g. directorships or other outside business interests) may be influenced to act in a manner that conflicts with the interests of Penny or its customers; and iv) where Penny personnel invest for their own account in certain investments which are retained as investments for customer accounts.
- d) Conflict Avoidance: We seek to organise our business in such a way as to avoid conflicts of interest arising.
- e) Conflict Management:

- i) For conflicts of interest which are unavoidable, We have put in place procedures which are designed to ensure that the management of any conflict takes place in such a way that Penny (and its personnel) are not advantaged and that no customer is disadvantaged. All of Our employees are provided with training in these procedures and the standards of conduct expected of them. Penny's Board of Directors remains responsible for ensuring that such procedures are appropriate and that employees act accordingly. Specifically, We have put in place the following procedures to assist in Our identification and management of conflicts of interest:
  - a) Conflicts Log: We maintain a list of all potential conflicts of interest identified. With respect to each conflict, the log details the measure put in place to monitor and manage the conflict of interest;
  - b) Gifts & Entertainment Policy: We ensure that all Penny personnel are subject to appropriate restrictions and monetary limits for any gifts or entertainment received;
  - c) Personal Account Dealing Policy: We ensure that all Penny personnel pre-clear and report any personal trading activity which may conflict with the interests of Our customers;
  - d) Pre-approval process for all Outside Business Interests: We ensure that Our personnel's external commitments do not conflict with the interests of Penny or its customers;
  - e) Protection of information: We maintain appropriate safeguards to protect sensitive or confidential information which could give rise to conflicts of interest. These measures are designed to prevent unauthorised access, inappropriate use, or inappropriate dissemination of such information. Details of these arrangements are described in Our Privacy Policy.
  - f) Separation of functions: where our internal functions might give rise to conflicts of interest, We put in place arrangements to separate such functions and ensure that separate management and reporting lines are established.
- f) Conflicts Disclosure
  - i) If We are not reasonably confident that we are able to manage a particular conflict to adequately protect the interest of a customer, the general nature and/or source of conflicts of interest will be clearly disclosed before We undertake any business.

## 25. Dividends and Income

- a) Upon receipt of any dividend or income in respect of Your Penny Pension Plan it will be retained in Your Penny Pension Plan.
- b) Allocation of any income to Your Penny Pension Plan will take place within 10 days.

- c) Should the income be in another currency We will convert it to sterling and allocate it to Your Penny Pension Plan.
- d) Any income received after closure of Your Penny Pension Plan will be sent to Your new registered scheme, and should Your new scheme not accept the income it will be donated to a charity of Our choice.

## 26. Communication Between Us and You

- a) Methods of Communication:
  - i) Our Service is provided exclusively through Our App and Our live chat.
  - ii) However We may also contact You by telephone, email or post, using Your most recent details.
  - iii) It is Your responsibility to ensure that all of Your details are kept current and up to date.
- b) Risks of online communication:
  - i) We take all reasonable commercial measures to ensure that the security of Our Services and systems are not compromised.
  - ii) We cannot and We do not offer any warranty or guarantee as to the security of the online Services We offer or that it will be free from any technical failure, corruption, error, delay, misuse, fraudulent use or accessed by any unauthorised person;
  - iii) should any such errors take place outside of Our reasonable control, We will not be liable for any losses caused.
  - iv) We recommend that You use anti-virus software on your electronic communication device (computer or other device) to access Our Services.
- c) You are entirely responsible for ensuring that Your working facilities enable You to communicate with Us appropriately.
- d) From time to time Our services may be unavailable, this may be to upgrade or maintain Our Services or if Our App is subject to any disruption for any reason, for example disruption of telephone networks.
- e) We will send You any notices via in-App notifications and SMS text messages, for example if We make any material changes to Our Agreement.
- f) Such notices or any correspondence will be deemed to be received the same day as such notice was sent; and
- g) Should Our communications to You fail, We will attempt to telephone you. If this fails, we will attempt to contact you via post at your nominated UK address.
- h) Should all Our communications to You fail, We will make no further effort to contact You at such addresses that have failed.
- i) We may, at Our sole discretion, record or monitor conversations, email or any other communications between Us to comply with any applicable Regulatory Requirements, to record Your instructions and
- j) for training or research purposes. Such records will be kept in line with Our Privacy Policy and if necessary for regulatory purposes.

- k) If instructed by You We will send copies of communications to Your agent, attorney, delegate, employer or any other such Third Parties in compliance with Your instructions.

## 27. Power of Attorney and Personal Representatives (Death Benefits)

- i) We automatically suspend Our relationship with You if You become incapacitated. We will give written notice to You before we suspend Our relationship with You and We will require written proof of Your legal incapacity.
- ii) Until such power is revoked We will continue to administer Your Penny Pension Plan in accordance with their instructions or Your death.
- iii) We should be informed of Your death as soon as practicable and provided with all of the documents We require to give Us authority to deal with Your affairs. Until receipt We will be unable to accept any instruction from them.
- iv) Your personal representatives will be bound by the terms of Your Penny Pension Plan and the Agreement in particular the fees payable.
- v) Provided that prior to Your death You have given Us Your wishes and appropriate directions (this is a service available to You at any time after You open Your Penny Pension Plan) about what You, upon Your death, would like to do with Your Penny Pension Plan We will:
  - a) notify the Schemes Trustee and Administrators, who will, at their discretion, take into account of Your wishes and directions and will abide by the Partners Terms and Regulatory Requirements; and
  - b) value the Investments in Your Penny Pension Plan (using, in death, the "quarter up" valuation, as set out in the Regulatory Requirements - this being the difference between the lowest price available plus a quarter of the difference between the lowest and highest price available for any investment at the end of the day).
- vi) If We do not hold Your wishes or directions form after Your death The Scheme Trustee will make a payment of death benefits from Your Penny Pension Plan after consideration of any circumstance made know to Us and to the extent permitted under the Partners Terms and Scheme Rules, the Finance Act and the Taxation of Pension Act.
- vii) Should there be unvested Assets in Your Penny Pension Plan on Your death, We will implement Your instructions to provide pension benefits to any person nominated by You.
- viii) With reference to any annuity Purchased by You prior to Your death, the terms of the annuity and the annuity provider will determine the provisions made.
- ix) We will, if there is a lack of formal instruction, take account of any expression of wish received from You, before paying death benefits to one or more

persons. This in accordance with the Product Provider Terms and Conditions, Scheme rules and the Finance Act.

- x) We may subject to the Product Provider Terms and Conditions and the Scheme rules, take instruction from Your Personal Representatives or any other person entitled to benefit from Your Penny Pension Plan to defer buying an annuity or paying other death benefits or starting an Income Withdrawal. We will make all agreements and decisions with relevant beneficiaries, prior to disinvestment taking place.

## 28. Our Terms

- a) These terms are the Terms under which You will be governed by Us in regard to Your Penny Pension Plan and how it is provided to You.
- b) In the event of any inconsistencies or differences between the Penny Terms, Fees Guide and the Product Provider Terms and Conditions, We shall decide all questions or matters of doubt, so far as the law permits and Our decision will be conclusive. There will be no right of appeal.
- c) We also refer to other documents within these Terms and they may also be updated or changed from time to time, the current version of them is available on Our App.
- d) The Fees that You will have to pay to use Our Services and those of Our Scheme Operator are set out in our Fees Guide, We recommend You read them carefully and ensure that at all times there is sufficient funds in Your Penny Pension Plan to ensure payment of them.
- e) Within Our Terms We explain the Service We provide and explain what We need You to do to make our Service work for You.
- f) From time to time We may vary our Terms and the varied Terms shall be binding on You.
- g) We may transfer Our obligations and rights under these Terms to another organisation, We will inform You in writing if this happens and will ensure that the transfer does not affect Your rights under this Agreement.

## 29. Changes to Our Terms

- a) If We make any material changes to Our Terms they will be notified to You in writing, via your Penny app, or via SMS, thirty days (30) days prior to the new Terms being valid.
- b) We will however without prior written notice change Our Terms of this Agreement if We have a valid reason, We consider such valid reasons to be:
  - i) in response to changes in Regulatory Requirements;
  - ii) to include new systems and processes or changes in the way Our business operates or any restructuring of the Services We provide to You;



- iii) any changes to or affecting any third party with whom We engage with whilst providing Our Services to You;
- iv) to remedy any errors; or
- v) to reflect legitimate costs increases.

## 30. Compensation and Complaints

- a) The FSCS was set up to assist private individuals and smaller business and charities (in certain circumstances). Your Penny Pension Plan is covered by the Financial Services Compensation Scheme (FSCS) and under certain and particular circumstances You may be entitled to receive compensation this if We or Our Partners are unable to meet Our obligations to private individual Clients, such as if We cease to trade or become insolvent.
- b) The FSCS does not protect against volatile or difficult markets and will not protect you from the risk that You receive back less than you paid in. Also please note that compensation in overseas jurisdictions may differ from those in the UK.
- c) Dependent upon the circumstances of the claim You may be entitled to receive compensation through the scheme held by the FSCS. This also depends on the business and the circumstances of the claim but most types of investment businesses are covered. The amount of compensation is currently capped at £85,000.00 for any one claimant. Compensation limits also are reliant upon Your total holdings with an organisation and in relations each category of claim. Compensation and therefore each limit includes all investments or all cash that You hold across Your accounts with one organisation, these limits, dependent upon Your claims may also apply to each of Our Partners separately. Please see <https://www.fscs.org.uk> for further information.
- d) Should You wish to make a complaint about Us or Our Partners, You can contact Us through the normal way You communicate with Us. Further information about Our complaints procedure is available for You to read in Our Complaints Handling procedure and in the Penny Pension Key Features Document which is available through Our App.
- e) If We do not resolve Your complaint, and We make every reasonable effort to do so, or within eight weeks to Your satisfaction You may refer Your complaint to:- The Financial Ombudsman Service, Exchange Tower, London, E14 9SR Tel: 08000234567 or the Pension Ombudsman, 11, Belgrave Road, London SW1V 1RB Tel: 02076302200 or view further information on <https://www.pensions-ombudsman.org.uk/>

## 31. Liability

- a) We are not liable for any losses You suffer, unless:

- i) We have failed in Our duty of care, skill and due diligence in selecting or retaining a bank, pension provider, settlement agent or Scheme Operator;
  - ii) gross fraud or gross negligence;
  - iii) if We materially breach the rules of the FCA or Regulatory Requirements; or
  - iv) if We fail to transmit Your instructions through Our Service and Your Assets become inadequately protected.
- b) We will not be responsible for any losses in any circumstances that You suffer because:
- i) of any machine, software malfunction or error in transmission;
  - ii) of Your operating error, or Your inability to in whole or part communicate with Us;
  - iii) the information You have provided to us is unclear, inaccurate, ambiguous or We have acted in good faith on instructions that appear to be valid and given in accordance with Your stated procedures;
  - iv) We are unable to execute or transmit any instruction due to a breakdown in communication between Us and an execution venue or Our systems are unavailable (unless this arises as a result of any negligence on Our part);
  - v) of any circumstances which are outside of Our reasonable control, this to include but not limited to delays in relaying Your orders, the value of Your assets go down or changes in market conditions (including market fluctuations). If We are unable to perform Our obligations due to circumstances beyond Our reasonable control, We will in so much as it is within Our reasonable ability to do so, take steps to minimise the effect of the event on Our clients; or vi) of any delay due to verifying Your instruction.
- c) We are not liable or responsible for the Insolvency, default or any other failure by a third party, settlement agent, bank, clearing agent depository or settlement system or any person or participant in any one of them. Neither are We responsible or liable for any Fund Provider's agent with whom We may have placed, or caused to be placed, an order You gave Us.
- d) You acknowledge and agree that Your Penny Pension Plan and all of Your contributions and transfers to it are held by the Scheme Trustee.
- e) Penny shall have no such liability in the event that You suffer any loss or damage as a result of their failure to administer or properly protect Your pension.
- f) Any issues or disputes with the Scheme Operator are subject to their Terms not Ours.
- g) Your liability to Us will be for any Fees reasonable and properly incurred under our Agreement, or for any error on Your part.
- h) We do not restrict any liability or exclude any liability in circumstances where lawfully liability cannot be excluded, for example causing death or personal injury by Our negligence or in relation to any liability We may have to You under the regulatory system.

## 32. General Risk of Investing

- a) The value of Your investments can go down as well as up and Your capital is at risk, You may get back less than the amount You originally invested.
- b) You should read the relevant Penny Pension Key Features Document, Key Investment Information Document (KIID), Key Information Document (KID), fund prospectus or PRIIP and the Fees Guide. Please also make note of the below information about the risks of investing but this list is not exhaustive:
  - i) past performance is no guarantee of any future performance;
  - ii) derivatives may be used by a fund to protect against currency, credit and interest rate movements and for investment purposes therefore a fund which invests in derivatives is at risk of losses because of the failure of the counter-parties to complete transactions;
  - iii) investments in foreign, emerging markets or markets in less developed countries involve different risks from the UK market, for example but not exclusively, they may have less supervision or regulatory control;
  - iv) investments which are denominated in a currency other than sterling will be subject to currency fluctuations and may rise or fall in line with those fluctuations;
  - v) when tax rules or laws change it could affect Your investments as they take no account of personal circumstances.
- c) Please take account of all of the information, and read the recommended information contained in it as this information could influence Your decisions.

## 33. The Transfer of Your Rights and Obligations

- a) You may not, without Our prior written consent, transfer or assign Your obligations or rights under this Agreement to anyone else.
- b) We may transfer or delegate all or part of Our rights and obligations under this Agreement with You to a third party, while We do not need Your consent to do this We will ensure We receive undertakings from that third party (“Transferee Firm”) that Your Scheme will be treated in the same way as it was before the transfer.
- c) We will also take reasonable care to ensure that the third party, should We delegate Our obligations to them, will competently perform the obligations delegated to them.

## 34. Tax Matters

- a) Should any taxes or duties be included in Our Fees We will tell You. If they are detailed separately You may have to pay them. When You make a personal

contribution to Your Penny Pension Plan You may be entitled to tax relief on that contribution in accordance with the Finance Act.

- b) If We have to pay a tax liability on Your behalf We may recover the costs from You. If You provide to Us with the necessary information We will arrange for Tax relief at the basic rate of income tax on Your behalf. Higher tax rate payers must make their own arrangements.
- c) You are liable for any and all other taxes that are personal to You in respect of Your Penny Pension Plan, and any Assets and transactions through Your Penny Pension Plan. Your Tax liabilities depend upon Your own circumstances and are liable to change. You are responsible for making sure that all of Your contributions into Your Penny Pension Plan are within the allowable limits set by the HMRC at the time of payment.
- d) We will be unable to process and will stop acting on Your instructions until all taxes, duties and third party Fees, which are applicable to You are paid by You.
- e) We have obligations under UK legislation, agreements and tax treaties (with worldwide jurisdictions) and European Union Tax rules which require us to provide certain information, and We will, without notice to You, provide such information as We are obliged to do.

## 35. Third Party Rights

- a) In the event that We are declared bankrupt, these Terms are between You and Us and, in this situation and in general, no other person shall have any rights under it, therefore The Contract (Rights of Third Parties) Act 1999 does not apply.

## 36. Severability

- a) If any Court of competent jurisdiction finds that any provision of this Agreement (or part of any provision and including any Schedule) is invalid, illegal or unenforceable, that provision (or part of any provision) will be, to the extent required, deemed to be deleted and the validity and enforceability of the other provisions of this Agreement will not be affected.

## 37. Waiver

- a) Unless otherwise agreed, no delay, act or omission by a Party in exercising any right or remedy will be deemed a waiver of that or any other right or remedy.

## 38. Regulatory Compliance

- a) We undertake to and confirm, that at all times We will comply with the Regulatory Requirements as they apply to Us operating Our Service in the UK.

## 39. Confidentiality

- a) We undertake that at all times Your personal data will be dealt with compliance with Our GDPR policy which is available to view through Our App.

## 40. Entire Agreement

- a) This Agreement and any Schedules, Privacy Policy and Our Application Terms of Use contains the whole Agreement between the Parties relating to its subject matter and supersedes all prior discussions, arrangements or agreements that might have taken place about this Agreement.
- b) Please read these terms carefully before You use the Service, make sure You understand them before applying for a Penny Pension Plan. When You decide to apply for a Penny Pension Plan You will be subject to these Terms, if You do not agree or accept them do not make an application

## 41. Force Majeure

- a) If any Party to this Agreement is prevented from performing all or substantially all of its obligations under this Agreement by a Force Majeure Event for a continuous period of thirty (30) days or more any Party shall be entitled to terminate this Agreement immediately by giving written notice to that effect to the other Party(s).
- b) All Parties to this Agreement acknowledge and agree that they will notify the other Parties of or the potential of a Force Majeure Event as soon as possible.

## 42. Data Protection

- a) All Parties including the Scheme Operator will have access to Your data to enable them to perform their duties to You. All Parties are classed as joint data controllers and all have independent Privacy Policies which explains how Your data is handled, used, shared with and stored please read these policies, which are available upon request from those Parties.
- b) The Scheme Operator will only use Your data for regulatory purposes and will not share it or use it for marketing purposes.

## 43. Governing Law and Jurisdiction

- a) This Agreement and the Terms (including any schedule ) contained in it are Governed by and interpreted according to the Laws of England and Wales, and all disputes arising under this Agreement ( including non-contractual disputes or claims ) shall be subject to the exclusive jurisdiction of the English and Welsh Courts.