

1. ACCEPTANCE

Your Acceptance of the Terms is deemed to take effect from when you receive them, unless you notify us within 7 days.

1.1 Under FSA regulations, neither the Scheme nor your Plan are regulated products from the perspective of the FSA. However, Liberty SIPP Limited, in administering your Plan, may perform certain services that are regulated by the FSA. In respect of such regulated services, you will be regarded as a 'Private Customer' (as defined in the FSA Handbook, a copy of which is available at: www.fsa.gov.uk/pages/handbook).

1.2 Liberty SIPP Limited is authorised and regulated by the Financial Services Authority and is entered on the FSA register (registration number 476409) and is authorized for the purposes of Establishing, Operating and Winding up Pensions Schemes (including SIPPS).

2. ARRANGEMENTS

2.1 The Liberty Pension Scheme (the "Scheme") is a registered pension scheme for the purposes of Part IV of the Finance Act 2004 (the "Act"). It has been established for the sole purpose of the provision of pension and lump sum benefits for eligible individuals and their dependants. The Scheme is intended to be an appropriate personal pension scheme within the meaning of the Pension Schemes Act 1993. Arrangements to receive a transfer of protected rights under the terms of schedule 1 of the Trust Deed and Rules in the form of a sub-trust of which a Member and the Trustee are trustees ("APP Arrangements"); arrangements under the terms of schedule 2 to the Trust Deed and Rules in the form of a sub-trust of which a Member and the Trustee are trustees ("Individual SIPP Arrangements"); arrangements under the terms of schedule 3 to the Trust Deed and Rules in the form of a sub-trust for a group of Members of which a number of those Members are trustees together with the Trustee ("Group SIPP Arrangements")

2.2 Your Individual SIPP Arrangement and Group SIPP Arrangement is made up of 1,000 separate Segments, which will be held (as provided for in the Trust Deed and Rules) within one or more "Arrangement(s)" between you and us, for the purposes of the Act. Your APP Arrangement will be held separately from any other Arrangements and there is a stricter investment criteria. This criteria could change and the Trustees and Establisher will keep clients informed and the Trust Deed and Rules up to date to accommodate under paragraph 14 below. We reserve the right to vary the structure of the Scheme and the manner in which your Segments are held under the Scheme from time to time. Any such amendment, variation or modification of the structure of the Scheme will not amount to an amendment of these Terms and Conditions and as such we will not be required to provide you with notice of any such change under paragraph 14 below. If you transfer in benefits to the Scheme that have already been made available to pay income withdrawal benefits (either as an unsecured pension or alternatively secured pension) then the funds representing those rights will be held in separate Arrangements to any other funds you hold under the Scheme. Such transfers in shall only be permitted to the extent that they do not prejudice the Scheme's status as a registered pension scheme. Each Segment/Arrangement is formed by these Terms and Conditions. Your Membership is based on the declarations you made to us, the information you disclosed to us and the options you have selected on your Application Form.

2.3 The Scheme is governed by a trust deed and rules (called the "Trust Deed" and "Rules" respectively), as amended by any subsequent deeds. We are the Scheme Establisher and Operator and Liberty Trustees Limited is the Trustee of the Scheme.

2.4 If there are any inconsistencies between these Terms and Conditions and the Trust Deed and Rules, the Trust Deed and Rules shall prevail. We agree to administer, on behalf of the Provider, the Scheme as required by the Rules.

3. ADMINISTRATION FEES AND EXPENSES

3.1 A copy of the schedule of charges and expenses that we apply from time to time is available on request and is also downloadable from the Liberty website. We are entitled to charge fees and expenses for administering your Membership. We may reasonably increase the fees from time to time by giving you not less than one month's notice. In addition, we may from time to time amend other provisions of the schedule of charges by giving not less than one month's notice.

3.2 Your Membership requires your fees to be paid on establishment at the set up of your scheme. Such payment may be dealt with as a contribution to your Scheme if appropriate. Thereafter, fees will be automatically deducted directly from your fund on a monthly basis. You are responsible to ensure that at all times there are adequate funds available for the payment of the Scheme fees on the due date. By signing these terms and conditions you agree to have sufficient monies in your Trustee Bank Account to cover your annual fees. If fees are not met within 28 days steps will be taken to recover the overdue fees and all costs associated with the recovery of the fees will be invoiced to the Scheme, in accordance with paragraph 3.4 below.

3.3 We shall bear no liability for any tax charge or unauthorised payment (as defined in the Act) made by or in respect of the Scheme. If any such charge is incurred or any such payment is made, we shall be entitled to take steps to recover any fees, charges or expenses incurred by us in respect of such liability in accordance with paragraph 3.4 below.

3.4 Where this paragraph applies, we are entitled to realise any asset within your Member's Fund and, unless we agree with you otherwise at the time, you confirm that we should realise the last investment made first and only to the degree required to meet the payment due. The interest will accrue from the due date to the date of payment at the rate equal to the base rate from time to time of Barclays Bank plc plus 3%. Should there be insufficient funds available within your Member's Fund we may enforce payment from your own resources.

4. EXERCISE OF INVESTMENT OPTIONS

4.1 Liberty SIPP Limited is not authorised to give investment or financial advice. You must direct the manner in which the funds within your Arrangements are to be invested. Neither the Trustees nor we accept any liability for any decisions relating to the purchase, retention and sale of the investments within your Member's Fund. As Scheme Administrator we assist the Trustees with the operation of the scheme and this extends to being involved with the investment process. Please make sure you are aware of and understand the procedures for notices to be issued to and given by the Trustees, which are set out in paragraph 13 of these Terms and Conditions.

4.2 Subject to paragraph 5.3 below, the Trustees:

4.2.1 will normally give effect to your investment decisions/directions and as soon as reasonably practicable after the same is made; and will normally thereafter continue to give effect to the same until that investment decision/direction is countermanded by you giving due notice to the Trustees (with or without duly exercising another option instead). However, the Trustees are not obliged to give effect to your due exercise of an investment decision/direction.

4.3 The Trustees shall cease to give effect to, or, as the case may be, to continue to give effect to, your due exercise of an investment decision/direction if:

4.3.1 it is shown, to the satisfaction of the Trustees, that by reason of your physical disability or mental incapacity you are unable to manage your own affairs (the written opinion of a qualified medical practitioner may be accepted by the Trustees as conclusive evidence of this fact);

4.3.2 the Trustees are notified of your death (the Trustees may, but need not, refuse to accept any such notification unless it is accompanied by the death certificate);

4.3.3 to give effect, or, as the case may be, to continue to give effect, that the exercise of that decision/direction would, or, in the opinion of the Trustees, may, breach any applicable law, regulation or requirement; or

4.3.4. the occurrence of some event or circumstance is brought to the attention of the Trustees which make it (in its opinion) inappropriate to continue to follow your directions.

4.4 For the purposes of paragraphs 5.2 and 5.3 an investment decision/direction shall be regarded as having been duly exercised and a notice shall be regarded as having been duly given if:

4.4.1 it is in such form and in accordance with such requirements as we on behalf of the Trustees from time to time prescribe;

4.4.2 where the investment decision/direction involves a transaction with a capital value in excess of £10,000, notice is given to the Trustees at least 14 days before such transaction is expected to take place; and

4.4.3 it is signed, or purportedly signed, by you or an investment manager/adviser nominated by you under paragraph 7, or otherwise it is in such form as we on behalf of the Trustees accept.

4.5 You must provide details to us of all activities undertaken in the name of your designated account as soon as possible after deciding to carry out those activities. In default of you exercising any direction, the Trustees are obliged to invest your Member's Fund; investment includes cash. In no circumstances shall either the Trustees or we be obliged to monitor or account for the investment performance of your Member's Fund.

4.6 You must maintain a cash balance of at least 5 years fees in the bank account that is referred to in paragraph 8.1.

5. INVESTMENT ADVISERS

5.1 You may nominate one or more investment managers/advisers to act on an advisory/discretionary basis in the exercise of any investment decision/direction. Neither the Trustees nor we provide investment advice, or act as investment managers. For the purposes of the fees and expenses of the investment managers/advisers, unless we agree with you otherwise from time to time, you confirm that we should treat investment managers/advisers as Professional Advisers as described in paragraph 6.1 below.

5.2 Where an Investment manager/adviser is appointed he will normally require his own nominee and custody facilities to be used. Where that is not the case, and registration and safe custody facilities are needed, you may nominate one or more nominees and custodians.

6. PROFESSIONAL ADVISERS

6.1 You may nominate one or more custodians, nominees, or other professional advisers (we call any one of these a "Professional Adviser") to act in respect of your Member's Fund. Neither the Trustees nor we accept any liability for the choice/selection of the range of Professional Advisers.

6.2 Where you have duly nominated any Professional Adviser, the Trustees will enter into any necessary agreements with the Professional Adviser to formally appoint them, if it has not already done so. The agreements will need to be on such terms as to remuneration, liability or otherwise as the Trustees think fit and will include terms:

6.2.1 allowing us to pay their fees and expenses from your Member's Fund should you fail to pay them; and

6.2.2 limiting the Scheme's liability to the Professional Adviser to the value of your Member's Fund.

7. INDEMNITY AND LIABILITY

7.1 Where you carry out an act in respect of your Arrangements that is prohibited by law or regulation or which would amount to an unauthorised payment under the Act, then we shall, without your consent, take such actions as may be necessary to correct the act. In this regard, you shall fully indemnify the Trustees and us in respect of all costs, claims, demands and expenses incurred whether from your Member's Fund or, should we wish, your personal assets.

7.2 Neither the Trustees nor we shall incur any liability arising out of:

7.2.1 a failure to perform or delay in performing our obligations under these Terms and

Conditions if the failure or delay results from an Act of God, war, riot, natural

disaster, fire or any other cause beyond our reasonable control;

7.2.2 loss occasioned by a Professional Adviser;

7.2.3 any unauthorised payment (as defined in the Act) or tax charge imposed in respect of the Scheme; or

7.2.4 any fall in your Member's Fund Value.

8. BANK ACCOUNT

8.1 The Trustees have opened one or more bank accounts with The Royal Bank of Scotland, which is regulated by the Financial Services Authority to accept deposits, in respect of your SIPP Membership. These bank accounts provide banking facilities in accordance with The Royal Bank of Scotland's normal terms for accounts maintained on behalf of the Scheme. The terms are available to you on request. The Trustees are joint authorised signatories with you to any such bank accounts.

8.2 All monies in your Member's Fund that are not invested will be held in these bank accounts and will be clearly designated as relating to your Arrangements.

8.3 Money held in these bank accounts will fall outside the scope of protection provided by the Financial Services (Client Money) Regulations 1991 and the Financial Services Authority Rules issued pursuant to them.

9. TERMINATION

9.1 Each Arrangement within the Scheme will terminate immediately upon:

9.2 the expiry (without withdrawal) of three month's written notice given by you to us that you wish to make payment of a transfer value in respect of that Arrangement to another registered pension scheme or qualifying recognised overseas pension scheme and that transfer payment is made; or

9.3 the provision of annuity/death benefits in the appropriate form.

9.4 No fees at that time paid shall be refunded and those payable shall remain so. On termination the obligations of payment of fees in paragraph 3 (Administration Fees and Expenses), the indemnity provisions in paragraph 7 (Indemnity and Liability) and the liability provisions in paragraphs 4.1, 4.5 and 6.1 shall continue in full. Termination will be without prejudice to the completion of transactions already initiated and The Royal Bank of Scotland is authorised to continue to operate the bank accounts relating to your Arrangements for the purposes of selling or receiving monies in respect of transactions already initiated and paying any expenses or fees due to us or other parties.

10. YOUR DUTIES

10.1 You agree to ensure that we are accurately informed as soon as reasonably possible of all information concerning your Membership that we may reasonably require to carry out our function under the Scheme, together with any further information that we reasonably request. You must notify us as soon as reasonably possible if you intend making contributions to the Scheme that are not entitled to tax relief.

11. NOTICES

11.1 Any instruction, notice or other communication to us, to The Royal Bank of Scotland, or to the Trustees under these Terms and Conditions shall be sufficiently given if it is in writing signed by the relevant party and sent by letter to us at the following address: Liberty SIPP Limited, The Exchange, Bank Street, Bury BL9 0DN.

11.2 Any instruction, notice or other communication to you under these Terms and Conditions shall be sufficiently given if it is in writing signed by us and served personally or sent by letter or facsimile to your last known address.

11.3 We may amend the details of our address for service of notices by giving notice in accordance with this section to you.

11.4 Every notice shall be deemed to have been served if served by post at the expiration of two days after dispatch of it or if sent by facsimile transmission at ten hours local time on the next normal business day of the recipient following dispatch and in proving service it shall be sufficient to show in case of a letter that the same was duly addressed prepaid and posted in the manner described above and in the case of a facsimile transmission that it was sent to the correct telephone number. Saturdays, Sundays and Bank Holidays shall not in any event be treated as a day on

which service is effected, and service shall be deemed to take place on the next normal business day of the recipient thereafter.

12. AMENDMENT

- 12.1 We may amend any of the provisions of these Terms and Conditions by giving not less than one month's notice in writing to you.
- 12.2 Any other amendment to these Terms and Conditions must be made in writing and signed by you and us.

13. DATA PROTECTION

- 13.1 We are the "data controller" (as defined in the Data Protection Act 1998) in respect of the information supplied on the Application Form that you have completed. You consent to us using that information in order to administer your Membership of the Scheme and you acknowledge that the information will be held on our computer records and may be used for underwriting or claims handling purposes.
- 13.2 You authorise disclosure in confidence of data to:
 - 13.2.1 Liberty Trustees Limited and The Royal Bank of Scotland;
 - 13.2.2 any associate and any agent appointed to assist us in administering your Membership and any person providing professional services to us;
 - 13.2.3 any Professional Adviser nominated by you in accordance with paragraph 6;
 - 13.2.4 regulatory bodies.
- 13.3 We will adhere to and comply with the provisions of the Data Protection Act 1984 and 1998 and any subsequent amendments thereto and the Data Protection Principles.

14. GOVERNING LAW

This Agreement will be governed by and constructed in accordance with the laws of England. The English courts are to have exclusive jurisdiction to settle any disputes or claims that may arise out of or in connection with these Terms and Conditions. You, the Trustees, The Royal Bank of Scotland and we agree to submit to the exclusive jurisdiction of the English courts.

15. THIRD PARTIES

Save as expressly provided, nothing in these Terms and Conditions shall confer on any third party except for the Trustees and The Royal Bank of Scotland any benefit or the right to enforce any of these Terms and Conditions.

16. ADMINISTRATION SERVICES

We will provide the following services:

- 16.1 establishment of your 1,000 Segments within your Arrangement under the Scheme and any other Arrangements needed to accept the transfer in of income withdrawal benefits;
- 16.2 setting up administration record systems;
- 16.3 vetting documentation to appoint the investment manager/adviser and other Professional Advisers;
- 16.4 maintenance of records, including portfolio valuations and contract notes received from investment managers/advisers;
- 16.5 annual statements detailing assets and transfer payments received;
- 16.6 creation of banking facilities with The Royal Bank of Scotland;
- 16.7 maintaining records of each investment transaction (save where this function is carried out by the investment provider) and presentation of reconciled financial statements to you on at least an annual basis;
- 16.8 settlement and payment of benefits on vesting;
- 16.9 administration of the income withdrawal facility where taken in accordance with the rules of the Scheme including quotation of the maximum pension permitted by HMRC legislation and recalculation of the maximum limit every five years or at other times required by HMRC legislation (changing with effect from 6 April 2011 to every three years); and
- 16.10 such other services as may from time to time be necessary to efficiently

administer your arrangements and to comply with HMRC requirements.

17. YOUR RIGHT TO CANCEL

As a product regulated by the FSA, any new client has 30 days to cancel the contract from the date the contract is executed (date the supplemental deeds are signed). During this period, any funds the SIPP receive will not be able to be invested out of the SIPP bank account unless the member specifically requests the contact is completed and hence waives this right.

For any variations to the SIPP (pension transfers and income withdrawal), the client has 30 days from the date we inform them of their Right to Cancel (which will be issued on receipt of confirmation of their intentions) to stop the transfer. As a result, Liberty SIPP Limited will not be able to complete the transfer process until the 30 days cancellation period has expired. However, this right to cancel can be substituted with a Right to Withdraw. The 30 days is still applicable, but instead of starting from the date the Cancellation Notice is issued, it can start from the date that their IFA advised them of the implications of transferring.

18. COMPLAINTS

If you are not satisfied with any element of the services provided by us, you should write to us at the address in paragraph 11.1, and it will be dealt with according to our complaints procedure, a copy of which is available on request.

Liberty SIPP Limited
The Exchange,
Bank Street,
Bury
BL9 0DN

Tel: 0161 763 7070

Website: www.Libertysipp.com

If you are not satisfied with the outcome, you can write to:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

You may also refer to:

The Pensions Advisory Service (TPAS)
11 Belgrave Road
London
SW1V 1RB

MEANING OF WORDS

In these Terms and Conditions, unless the context otherwise requires:

“Act” means the Finance Act 2004, as amended from time to time.

“Annual Allowance” means such amount specified by the Treasury pursuant to the Act.

“APP Arrangements” has the meaning given in paragraph 2.1

“Group Arrangements” has the meaning given in paragraph 2.1

“HMRC” means Her Majesty’s Revenue & Customs.

“Individual Arrangements” has the meaning given in paragraph 2.1

“Member” means anyone who has been accepted by us as a member of the Scheme and in respect of whom none of the events listed in paragraph 9 have occurred.

“Membership” has a corresponding meaning.

“Member’s Fund” means the aggregate, under all your Arrangements, of the contributions paid by or in respect of you and any transfer payments or credits accepted by the Scheme in respect of you or the assets representing the same and any income derived therefrom and any accretions thereto less any expenses, tax or other amount paid thereout.

“Professional Adviser” has the meaning given in paragraph 6. 1

“Rules” has the meaning given in paragraph 2.3.

“Scheme” has the meaning given in paragraph 2. 1.

“Scheme Year” means the relevant calendar year commencing on the start of your Membership and on each anniversary of that date, or any other date agreed with us.

“Segment” has the meaning given in paragraph 2.2.

“Trust Deed” has the meaning given in paragraph 2.3.

“Trustees” means Liberty Trustees Limited.

“We/us/our” means Liberty SIPP Limited.

Reference to an enactment includes a reference to any statutory modification or re-enactment or any regulation made under it.

LIBERTY SIPP LIMITED

HEAD OFFICE:

THE EXCHANGE,
BANK STREET,
BURY BL9 0DN

TEL: 0161 763 7070

EMAIL: enquiries@libertypensions.com

WEB: www.libertypensions.com

COMPANY REGISTRATION NO: 6365953, AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY (REGISTRATION NO 476409).

DIRECTORS: J D FOX, D R SOUTHWORTH, J DEAN, IAN CURRIE.

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