



Sovereign Pension Services Limited

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**INVESTMENT MANAGER
APPOINTMENT FORM**

Please complete this form if you wish to appoint an Investment Manager ('IM'), to be approved by the Retirement Scheme Administrator ("RSA"), to manage your investments on a discretionary basis within your member's account in a retirement benefit scheme provided by Sovereign Pension Services Limited.

Please return the form to the above address or alternatively signed with an acceptable electronic signature (e.g. DocuSign, Adobe Sign) accompanied by the respective certificate of completion.

Member Details

Scheme name: _____ ("the Scheme")

Membership reference number: _____

Title: _____ Surname: _____

Full forename(s): _____

Date of birth: ____/____/____

Contact details

Contact number: _____ Email address: _____

Current residential address: _____

I wish to appoint the following entity to manage the investments in my account within the Scheme on a discretionary basis:

Investment Manager Details

Investment Manager company name: _____

Contact person: _____

Address: _____

Email address: _____

Terms of Business have been signed with Sovereign Pension Services Limited.

Fund Value to be managed: Full Fund Value Partial Fund Value: _____

Currency of investment: GBP(£) EUR(€) USD(\$) Other (please specify): _____

Risk Profile

Please tick the box that applies to you. It is strongly recommended that you consult your investment adviser before making your selection.

1 Lower Risk

I want my money to be as safe as possible. I am happy with small, steady growth and only minor ups and downs.

2 Lower to Medium Risk

I am cautious but willing to take some risk for a better return. I expect small but regular ups and downs.

3 Medium Risk

I am comfortable with a balance of risk and return. I accept that my savings will go up and down to try to get more growth over time.

4 Medium to High Risk

I want higher growth and accept that my savings may fall in value, sometimes for long periods.

5 High Risk

I want the chance of high growth and accept big and frequent ups and downs, even losses, along the way.

If the risk profile selected above differs from the one currently on our records, we will update our records to reflect the new selection.

Custodian Details

Please select only **one** of the following three options. It is strongly recommended that you seek the appropriate advice before you make your selection.

Default Custodian

I would like the assets currently held in my investment portfolio to be retained by the current Investment Provider's default Custodian.

OR

In-specie asset transfer to Custodian

I would like the assets currently held in my investment portfolio to be transferred to the following newly appointed Custodian.

OR

Cash transfer to Custodian

I would like all the assets currently held in my investment portfolio to be sold and the cash proceeds transferred to the newly appointed custodian.

Please also enclose a dealing instruction form to instruct the investment provider to sell the assets currently held within the portfolio.

Custodian Company name: _____

Contact person: _____

Address: _____

Email address: _____

Regulator's name: _____

Regulatory number: _____

I understand that my appointed IM will be entitled to manage the investments without prior reference to me and that the RSA has no liability for any resultant loss to the value of the pension due to my appointment of the above IM. Furthermore, I hereby indemnify the RSA against all losses, claims, costs, charges, penalties, liabilities, actions and demands which it may suffer or incur pursuant to my appointment of the above IM.

This appointment will remain in force unless I notify the RSA in writing of any change.

I confirm that the RSA may provide the above named IM with any information or assistance as may be required without referring the request to me in the first instance.

I understand that all the other declarations made in the application form to join the Scheme remain applicable, valid and binding.

Member-borne Charges

IM's Annual Management Charge (AMC) _____ %

Initial commission payable to my appointed adviser by the IM _____ %

IM's Forecast Ongoing Charges Fee ('OCF')/Total Expense Ratio ('TER')* _____ %

Custodian Fees _____ %

Details of any other fees: _____

**This is the estimated annual running cost charged to the Member for the discretionary investment mandate. These fees may change from year to year and will impact the performance of any investment.*

Member Declaration

I confirm that I fully understand and accept all the fees payable to my appointed IM and Custodian.

I also confirm that I have been provided with, and fully understand and accept, all the fees and charges payable on the underlying investments and any ongoing fees/trail commission payable to my appointed financial/investment adviser and custodian, where applicable, by my appointed IM.

I acknowledge that investments can rise and fall in value, and that neither the Trustee, RSA, nor the IM can guarantee investment performance or returns.

I confirm that I am aware that the IM will act in a discretionary capacity, which means they will make investment decisions and manage my portfolio on my behalf, without needing to obtain my prior approval for each transaction. I understand that they will do this in accordance with the agreed investment strategy and my risk profile

I confirm that I have selected and appointed the IM, and that neither the Trustee nor the RSA has provided me with investment advice or recommended the IM.

I confirm that any potential conflicts of interest relating to adviser commissions, trail fees, or custodian charges have been disclosed to me, and I accept them.

Member's signature: _____

Member's full name: _____

Date: ____/____/____

Investment Manager Declaration

I/We, the appointed Investment Manager, acknowledge and agree to the following in respect of the above-named member's pension plan:

1. The principal objective of the Scheme is to provide retirement benefits for the member.
2. Sovereign Pension Services Ltd, as RSA, is required to ensure the member's fund remains liquid, diversified, and compliant with investment restrictions imposed by the Malta Financial Services Authority (MFSA), the Scheme Document, and any applicable codes of practice or guidelines.
3. I/We confirm that we have received and read the investment restrictions and guidelines set out in Annex 1 and updated from time to time, and that the guidelines in force will be strictly adhered to, together with the member's indicated risk profile. These restrictions and guidelines take precedence over any other written agreement relating to this member's plan.
4. The RSA considers itself a retail investor and requires that no Professional, Expert, Sophisticated Investor funds, or Unregulated Collective Investment Schemes, be purchased for this member's portfolio.
5. While the RSA uses UK Retail Prices Index (RPI) as a benchmark, I/We may select an alternative benchmark where appropriate.

IM's signature: _____

Full name: _____

Date: ____/____/____

Annex 1 - Investment Guidelines

All investments must comply with the Retirement Pensions Act, the directives of the MFSA, and the investment policies and restrictions set by the RSA. To assist a Member in ensuring that investments are appropriate for their retirement plan, Sovereign has produced the following guidelines:

- Investments may be made into a range of product wrappers and directly into funds. Investments may also be made via platforms or using the services of discretionary investment managers.
- Investments must be liquid.
- Investments must be diversified in such a way as to avoid accumulations of risk in the portfolio as a whole.
- Investments may be made via recognised exchanges in stocks, funds, bonds, shares and other securities, cash, money market instruments and structured notes.
- Fixed deposit interest accounts are permissible, provided they include a break-out clause of 30 days or less. Additionally, no more than 50% of a Member's portfolio can be invested with a single provider. Any requests that do not meet these criteria must include a rationale and will be escalated for review and approval.
- Retail Collective Investment Schemes ('CIS') and Exchange Traded Funds ('ETF') are permitted, provided that exposure to any single ETF or CIS is limited to a maximum of 50% of the portfolio value.
- Investments in individual corporate or government bonds and equities are allowed, provided no more than 20% of a Member's total portfolio is allocated to any single holding at the time of investment.
- Unless a Member is classified as a Professional Member*, only retail investments will be accepted and investments into expert, professional or sophisticated collective investment funds are not permitted.
- Unregulated collective investments, any broker funds, cryptocurrencies, cryptocurrency ETFs, and Initial Coin Offerings (ICOs) are prohibited.
- Investments in funds that contain exit charges are not permitted.
- Funds deemed to have a high expense ratio/ongoing charges figure (over 2%) are not permitted unless the total portfolio TER is below 2%.
- Structured notes are permitted, provided they meet the following criteria:
 - Not more than 30% of the total pension fund value of the Member's account may be invested in structured notes
 - Not more than 20% may be invested in structured notes with one issuer
 - Major indices only (no single equities or sectors)
 - Minimum 30% barriers
 - Minimum rating of BBB by Standard & Poor's, Moody's or Fitch
- Loans to Members or connected parties are not permitted.
- The purchase of residential property is not permitted.
- Options, futures, swaps, forward rate agreements and other derivative contracts will not be permitted except for risk hedging purposes.

*As defined in the Pension Rules for Personal Retirement Schemes Issued in Terms of the Retirement Pensions Act, 2011.

- Investments in private equity and Contracts for Differences will not be permitted.
- Investments in new products will have a maximum commission cap of 3%. Any recommendations with commissions exceeding this 3% threshold will be rejected. Furthermore, investment lock-in periods will be limited to a maximum of five years. The RSA may request the adviser's suitability report signed by the Member before proceeding with the switch.

If there is insufficient cash in the investment transaction account to cover annual fees, the RSA will sell the largest liquid asset in a Member's pension fund. If alternative arrangements are needed, the RSA must be notified as soon as possible.