

**INDEPENDENT
GOVERNANCE COMMITTEE**

TERMS OF REFERENCE

Version 0.1

27 March 2015

VERSION CONTROL

These Terms of Reference are owned by ReAssure Limited and amendments to these terms of reference can only be approved by the Company.

Version	Change owner	Change summary	Approving Body	Approval date
0.1	Paul Shakespeare	Development of new ToR	ReAssure Limited	27 March 2015

1. PURPOSE

The purpose of the Independent Governance Committee (hereafter referred to as 'the Committee') is to operate in the interest of scheme members to challenge the providers that schemes are offering a value for money product in an appropriate way. This involves the review of various aspects of the administration of Workplace Personal Pensions owned by ReAssure Limited, including but not limited to the following:

- Assess value for money for policyholders on an ongoing basis
- Review the design and execution of investment strategy
- Monitor and ensure appropriateness of charges for the scheme and its investments
- Ensure appropriate assessment of the quality and governance standards
- Raise any concerns to the Board of ReAssure for issues relating to value for money of the scheme
- Ultimate responsibility for escalating issues to the FCA (if not resolved through Board escalation)

2. SCOPE AND CONSTITUTION

The Committee:

- acts on behalf of the members of workplace personal pensions owned by ReAssure Limited

These Terms of Reference have been approved by ReAssure Limited.

3. MEMBERSHIP

All members of the Committee shall have the appropriate skills, knowledge and experience to execute their duties in relation to Workplace Personal Pensions and Occupational Pensions.

The Committee members shall comprise of a minimum of 5 members, the majority of which (including the Chair) need to be independent:

- An Independent Member (Chairman)
- An Independent Member
- An Independent Member
- Head of Business Solutions
- ReAssure Actuarial Function Holder

The Chairman of the Committee may nominate one of the independent Committee members as Deputy Chairman to act as Chairman in his absence.

Members who also act as Employees of ReAssure or other Group Companies are required to discharge their responsibilities on the Committee independently.

4. QUORUM

The quorum for a Committee meeting to take place is three members, the majority of whom must be independent and one of whom must be the Chairman or the Chairman's nominated deputy.

It is permissible for the Chairman, nominated deputy, and / or other Committee member to attend a Committee meeting via conference and / or video call.

Where there is no quorum, the Committee meeting should be re-scheduled as soon as practicable, preferably within ten days.

5. FREQUENCY AND TIMING

It is anticipated that the Committee will meet at least four times a year, with additional meetings in the first year of operation. The Chairman may call additional meetings as necessary.

6. PRINCIPAL DUTIES

- To act in the interest of the relevant policyholders;
- To assess the value for money of the firms workplace personal pension schemes;
- To assess the design and performance of investment strategies
- To consider the standards of administration
- To review and assess the level of charges being borne by scheme members
- To undertake assessments of the cost incurred for the investment of pension assets
- The overview and assessment of administration and transaction costs
- To provide an annual report of findings that will be publicly published
- Due consideration will be given to the work of other governance bodies (e.g. Board Investment Committee, Fairness Committee, Treating Customers Fairly Committees) however responsibilities of the IGC cannot be delegated to them.

7. DELEGATED AUTHORITY

The Committee is authorised by the Board to undertake all activities within these terms of reference.

The Committee is authorised to obtain independent professional advice and secure the attendance of advisors with relevant experience and expertise when necessary.

Although normally decisions are reached on a consensus, in the event of a disagreement, decisions on any matter are made by the majority, with the Chairman having a second casting vote in the event of a tie. A Committee member who remains opposed to a proposal after a vote can ask for his or her dissent to be noted in the minutes.

8. REPORTING

The Committee, via the Chairman, will produce an annual report to include the following:

- Value for money.
- How policyholders' interests have been considered.
- Any issues that have been raised to the ReAssure Board (and responses to those issues).
- How policyholder views are canvassed and represented to the IGC.

9. AGENDA AND MINUTES

It is the responsibility of the Committee Chairman to determine the agenda for Committee meetings.

The Company Secretary, or a nominated individual, will act as secretary for the Committee and complete the following activities:

- Schedule Committee meetings and venue
- Agree the agenda for Committee meetings with the Chairman
- Distribute the agenda and supporting papers
- Minute Committee meetings in sufficient detail to capture the main points of discussion, decisions made and resulting actions
- Distribute minutes of Committee meetings

The agenda for Committee meetings with supporting papers detailing business to be discussed will be circulated approximately one week before the meeting, although urgent items may be circulated separately or tabled.

The minutes of meetings of the Committee will be issued to all members of the Committee and to nominated recipients within 15 business days of the meeting. They will also be distributed to members of the Board. Minutes will also be submitted for approval to the next following meeting of the Committee.

10. MANAGEMENT INFORMATION REQUIREMENTS

It is the responsibility of the Committee Chairman, in conjunction with the Committee members to determine the nature of information required in order that the Committee may discharge its duties effectively.