

Liquidity Policy

Where this document refers to 'ReAssure' or 'we' it means 'ReAssure UK Services Limited', as the scheme operator, or 'ReAssure Limited' as the scheme provider or insurer.

This policy sets out the actions that we will take where a member's SIPP bank account does not contain the necessary funds to settle the outstanding liabilities (income drawdown payments, fees, charges, costs or other liabilities) of a member's:

- Portfolio Plus Pension
- Portfolio Plus Self Invested Personal Pension

Before this policy is employed we will provide the member and adviser, if one exists, with 30 days written notice that unless a resolution is reached within that period, we will apply the monies held in the other accounts linked to a Member's plan (Aegon product cash facility and/or member's SIPP property bank account) if such accounts exist, or dispose of certain assets held in the member's plan, in accordance with this policy. However, where we are due to pay a member an income drawdown payment within this 30 day notice period, we reserve the right to make the payment and dispose of assets in accordance with this policy in order to do so.

In addition to outstanding liabilities we will disinvest an amount sufficient to cover liabilities for up to three months in advance in order to reduce the frequency of disinvestments.

Order in which money will be taken

ReAssure will first apply monies held in the other accounts linked to a member's plan, if such accounts exist, to cover the outstanding liabilities of the plan, plus all related administrative costs.

Monies will be taken from each account, where it exists, in the following order:

- a) The member's Aegon product cash facility
- b) The member's SIPP property bank account – we will use any surplus cash held in the account over and above that required to meet any insurance payment, mortgage payment or other known property fees due in the next three months, allowing for any rental income due in that same period.

If these accounts do not exist or do not provide sufficient funds we will dispose of sufficient assets held within the member's plan to meet liabilities plus any costs of selling those assets. In each case assets will be sold in the following order:

- a) Insured funds – ReAssure insured funds held within a member's plan will be disinvested proportionally.
- b) Collective investments available from Aegon – any collective investments held will be disposed of proportionally.

Where other self-invested assets are held, when disposing of investments in a) or b) this will be subject to maintaining a minimum combined value of £25,000 in insured funds and/or collective investments available from Aegon.

- c) Other self-invested assets, excluding commercial property – ReAssure will first dispose of the asset(s), that allow for a partial sale and in ReAssure’s reasonable opinion, have the ability to be disposed of and the cash proceeds returned to ReAssure within the shortest timescale. These will be sold on a ‘last bought, first sold’ basis.

Where there are no remaining assets that allow for a partial sale, other self-invested assets will be sold on a ‘last bought, first sold’ basis.

Where such assets are held by a Discretionary Fund Manager (DFM) ReAssure shall instruct the DFM to dispose of sufficient assets to meet the liabilities, plus all costs of selling the assets.

- d) Commercial property – if the only remaining asset that can be disposed of is commercial property ReAssure will consider disposition of the property. Normal property charges will apply as detailed in the Terms Sheet for the plan.

Notes:

1. Assets that have been transferred in-specie into the plan will be deemed to have been purchased on the date of the transfer.
2. The whole of a current holding of an asset will be deemed to have been purchased at the date of the last purchase.
3. Income drawdown payments may be delayed or stopped if we are unable to obtain sufficient funds in the member’s SIPP bank account to pay them.
4. If, following an initial disinvestment under the terms of this policy, there continues to be insufficient funds in the member’s SIPP bank account to cover liabilities, ReAssure will continue to make further disinvestments sufficient to cover known liabilities for up to three months in advance, without a further 30 day notice period, however, we will advise the member, and adviser if one exists, of each disinvestment instruction.
5. Assets will be sold irrespective of prevailing market conditions and any additional costs or penalties that may be incurred.