

## Investor protection through Retiready

As easy as one, two, three

### How it works

#### 1. Retiready

Retiready has a responsibility to customers to manage their assets responsibly. This is why we separate customers' assets from our own.

This makes sure that in the unlikely event of us defaulting, all or most customer assets are still owned by the customer, so can't be used to settle creditor claims. Doing this protects the assets for the customer.

#### 2. Investment providers

Investment providers are firms that provide the Retiready funds. There are various regulatory measures in place that most investment providers must follow to operate within the UK. These measures are aimed at helping to protect customers' assets. These guidelines are in place to make sure the assets are protected from misuse, or the firm defaulting.

#### 3. Financial Services Compensation Scheme

The FSCS (Financial Services Compensation Scheme) protects customers' assets by funding certain shortfalls if a company is unable, or likely to be unable, to meet claims against it.

The FSCS will only become involved if a company is:

- Financial Conduct Authority (FCA) authorised and
- unable, or likely to be unable, to meet claims against it

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## Protection at a glance

Take a look below to find out how different types of investment are generally treated.

Investment type	Retiready	Investment provider	FSCS
Cash	<ul style="list-style-type: none"><li>Funds are held separately from our own assets.</li><li>Depending on the product, funds are managed in accordance with the FCA's Conduct of business rules, Markets in Financial Instruments Directive or client money rules which prohibit the misuse of customers' money.</li></ul>	Assets are ring fenced from the investment provider's own assets.	Funds are protected up to £85,000 per person per authorised firm.
Insured funds (internal funds)	We have processes in place for the <b>governance</b> and <b>management of our funds</b> .	Scottish Equitable plc ring fences the assets within these funds from their own.	Funds are protected up to 100% of total value of the claim with no limit.
Collective investment schemes (retail)	Funds are ring fenced from our own assets. Just select a particular risk level to see the related documents.	Funds are ring fenced from the investment provider's own assets.	Some funds are protected up to £85,000 of total assets held.

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## Retiready's responsibilities

The Retiready Pension is a pension provided under the Aegon Self Invested Personal Pension Scheme. This is a trust-based personal pension scheme, with Scottish Equitable plc (SE) as the Provider and Scheme Administrator and Aegon Pension Trustee Limited (APT) as the trustee. The assets of the scheme are owned by APT, separating them from the assets of SE.

Aegon Investment Solutions Limited (AISL) is responsible for the management of the Retiready ISA. APT and AISL have appointed nominee companies to hold the assets on their behalf. The nominee companies are:

- Retiready Pension – Aegon SIPP Nominee Limited
- Retiready ISA – Aegon Investment Solutions Nominee 3 (ISA) Limited

### Scottish Equitable plc and Aegon Pension Trustees Limited

It's the responsibility of SE as scheme administrator and APT to make sure all assets held or managed by Retiready are in line with legislation, HMRC regulations and the FCA's regulations, and that we take the necessary measures to protect our customers' assets. These measures include:

- carrying out regular due diligence on banks and fund managers
- making sure customers' assets are not used to fund other activities
- making sure the record keeping of customers' assets is correctly managed
- holding customers' assets separately from our own so that in the unlikely event Retiready defaulted, customers' assets would be protected from any possible creditors or outstanding liabilities

### Aegon Investment Solutions Limited

As the manager of the Retiready ISA, AISL is responsible for making sure that the operational management of this product is in line with legislation, HMRC regulations and FCA regulations. These regulations make sure that the relevant investment restrictions apply to ISAs, and customers' assets are protected and responsibly administered.

AISL separates customers' assets from Retiready's own assets to ensure that if in the unlikely event Retiready was to default, the customers' assets would be protected from any possible creditors or outstanding liabilities.

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## Investment providers' responsibilities

With many investments, the legal structure required to manage the investment ensures greater protection of customers' assets. This is the case with collective investment schemes that operate in line with the Financial Service and Markets Act 2000 (FSMA). Collective investment schemes have a responsibility to appoint a depositary who is independent to the fund's board or the fund's authorised corporate director. The depositary is responsible for ensuring the assets are segregated from the fund manager's own assets and oversees the safe custody of these assets.

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## Financial Services Compensation Scheme (FSCS)

The FSCS is an independent body and is the UK's compensation fund of last resort for customers. The FSCS deals with claims against authorised firms regulated by the FCA. This usually happens because a firm has stopped trading and doesn't have enough assets to meet claims, or is in insolvency. This is described as being in default.

The primary role of the FSCS is to protect policyholders. They work with insolvency practitioners, responsible for the ongoing administration of the firm and the settlement of claims, to determine their involvement to make sure that policyholders have clear instructions on how to make a claim, and what to do if they need immediate assistance.

The FSCS can also provide funds to meet protected claims. In some cases, funds from the insolvent firm may be available to pay some of the amount due to a customer. If the amount paid is less than the FSCS compensation limit, then the customer can make a claim on the FSCS for compensation for the balance in line with the FSCS compensation rules. The FSCS can also try to arrange (or help with) a transfer of some of the business to other providers, if this is cost effective and practical.

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## FSCS limits

### Retiready Pension

The Retiready Pension is an insurance contract and benefits from protection up to 100% of the claim without limit, as your investments are held in insured funds.

### Deposits

Money held in the Retiready Pension cash facility is a deposit. The maximum compensation limit is £85,000. This limit applies per person per authorised firm. The FSCS would aggregate all monies of that individual in assessing any compensation due. Any loan amounts outstanding to the deposit taker will be excluded from the claim process and won't be used to offset the claim limit.

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### Retiready ISA

For investment claims the FSCS can pay up to a maximum £85,000 per person, per firm.

### Deposits

The Retiready ISA is classed as an investment by the FSCS. Money held in the Retiready ISA cash facility is a deposit. The maximum compensation limit is £85,000. This limit applies per person per authorised firm. The FSCS would aggregate all monies of that individual in assessing any compensation due. Any loan amounts outstanding to the deposit taker will be excluded from the claim process and won't be used to offset the claim limit.

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Retiready and Aegon are brand names of Scottish Equitable plc (No. SC144517) and Aegon Investment Solutions Ltd (No. SC394519) registered in Scotland, registered office: Edinburgh Park, Edinburgh, EH12 9SE. Both are Aegon companies. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Aegon Investment Solutions Ltd is authorised and regulated by the Financial Conduct Authority. Their Financial Services Register numbers are 165548 and 543123 respectively. © 2023 Aegon UK plc

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