

The Currency Brokers International Holdings Limited Pension Plan (the "Scheme")

Annual governance statement for the Scheme year ending 31 May 2018

1. Introduction

As Trustee of the Scheme, we have reviewed and assessed that our systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator's:

- code of practice 13: governance and administration of occupational trust-based schemes providing money purchase benefits (the "DC code"); and
- regulatory guidance for defined contribution schemes ("DC regulatory guidance").

Based on our assessment, the Trustee continues to work towards adopting the standards of practice set out in the DC code and DC regulatory guidance.

At the date of this statement the Trustee confirms that there are six deferred members remaining in the Scheme, of which two have passed the Scheme's normal pension age.

2. Governance of the Default Arrangement

The Pensions Regulator appointed Open Trustees Limited as Trustee of the Scheme on 7 June 2018. Open Trustees wrote to Aviva on 12 June 2018 to obtain information relating to the Scheme's default arrangement. Despite chasing for this information, for reasons outside of the Trustee's control, we have not yet been able to confirm the Scheme's default arrangement. We will continue to chase Aviva for this information and will provide an updated Chair's statement as soon as this information is available.

However, Aviva have confirmed that all six of the deferred members of the Scheme are invested in the Friends Life Av Managed (ex NM) C Fund. This fund does not include a lifestyle strategy.

We are waiting for Aviva to provide the Trustee with further information on this fund, including details of the charges which apply to it and illustrations for this fund. We will continue to chase Aviva for this information and will provide an updated Chair's statement as soon as this information is available.

The Trustee will consider preparing a statement of investment principles ("SIP") in respect of the Scheme once information relating to the Scheme's default arrangement is made available from Aviva.

3. Objectives of the Scheme's default approach

Following our appointment as Trustee of the Scheme on 7 June 2018, we wrote to Aviva on 12 June 2018 to request information relating to the Scheme's default approach. However, despite chasing for this information, for reasons outside of the Trustee's control, we have no information which would allow us to confirm the Scheme's default approach. We will continue to chase Aviva for this information and will provide an updated Chair's statement as soon as this information is available.

4. Core Financial Transactions

The Trustee has a duty to ensure that core financial transactions (including the investment of contributions, transfer of member assets into and out of the Scheme, transfers between different investments within the Scheme and payments to and in respect of members) relating to the Scheme are processed promptly and accurately.

The Trustee delegates the processing of some of these transactions to Aviva and then retains responsibility for processing the remaining transactions itself.