

## IMPORTANT UPDATE ABOUT THE AON MANAGED ACTIVE UK EQUITY FUND

### Background

The Aon Managed Active UK Equity Fund (“the Aon UK Equity Fund”) holds investments in the LF Woodford Equity Income Fund (“the Woodford Fund”). On 3 June 2019, as a result of increased withdrawals in the Woodford Fund, trading in this fund was suspended, with immediate effect, to protect the interests of its investors and to allow its manager to restructure. Although the suspension of the Woodford Fund does not currently impact on the liquidity of the Aon UK Equity Fund, if there were to be a trend of withdrawal requests, the overall liquidity position of the Aon UK Equity Fund could be progressively undermined, to the detriment of the remaining investors.

In light of these events on 10 June 2019 it was decided that it was in the best interests of investors to suspend the Aon UK Equity Fund.

### Update on the Woodford Fund

It has now been announced that the Woodford Fund will not re-open and instead it is to be wound up as soon as practicable.

The suspension of the Woodford Fund was intended to give the investment manager time to reposition the portfolio into more liquid assets, which would have allowed the Woodford Fund to meet the withdrawal requests. However, the repositioning of the Woodford Fund has not made significant enough progress and it has been concluded that it is in the best interest of all investors for the Woodford Fund to be wound up. The expectation is that the wind up will begin in mid-January 2020, but it is too early to predict how long this process will take at this point.

### Closure of the Aon UK Equity Fund

A decision has been made by Hewitt Risk Management Services Limited ("HRMSL"), the investment manager of the Aon UK Equity Fund, to take this opportunity to close the Aon UK Equity Fund. Reasons for this include a lack of demand for active UK equity funds which has had the knock on impact of an outflow of quality fund managers for this asset class.

### What happens next?

HRMSL is currently working through the steps needed to close the fund and the best way of managing the transition. All members who have investments in the Aon UK Equity Fund have been informed that the fund will close.

Until further notice we regret that it will still not be possible for members to switch out of or take benefits (including transfers) from the portion of their Account that is invested in the Aon UK Equity Fund.

With the help of our advisers we will provide further communications in due course.

If you have any questions, please contact First Actuarial on 01733 447620 or email [pearl@firstactuarial.co.uk](mailto:pearl@firstactuarial.co.uk)