

# Cash Management Process

## M&G Wealth (formerly Ascentric) clients

On the second Sunday of each month M&G Wealth will review your available cash balance in order to pay any charges. If there are insufficient funds to do so they will sell down from the highest fund holding. M&G Wealth will not accept any liability where the sale is made at a disadvantageous time, has a material effect on the balance of assets within a model portfolio, or if you incur any tax liability.

### **TPO Effective Cash Management Policy**

In order to deliver the best outcome for clients, and to minimise charges incurred, we adopt the following process when processing an ad-hoc lump sum withdrawal request or funding a client's ISA from their General Investment Account:

- We will sell down the required amount using a 'Pro rata' approach. This means that we sell down your funds proportionately in line with current portfolio weightings across the affected tax wrapper.
- Cash held in each tax wrapper will be excluded from this process as platform cash held within each wrapper is held for the payment of fees and charges, and does not form part of your investment strategy.

### **How TPO Manage Income for Clients invested on M&G Wealth**

For fixed levels of income, we define a sustainable income withdrawal as "up to 90% of the portfolios historic yield" to allow for fluctuations in the value of the portfolio and potential future reduced yields. This will be assessed at each annual review.

To service any ongoing income withdrawals, product charges and TPO advice fees from a 3rd Party Offshore Bond or Self Invested Personal Pension, at a regular frequency (agreed between you and your adviser), we will calculate the value required for the next agreed period. This value, less any cash already accumulated, will be disinvested from your portfolio and transferred to your Offshore Bond or 3rd Party SIPP cash account.

Where possible we will arrange for any income received into the M&G Wealth tax wrapper to be automatically remitted to the Offshore Bond or 3rd Party SIPP cash account on a regular basis. If this is not possible, we will transfer the required cash without further authority from you where the provider permits.