

Safeguarded Benefits declaration



PERSONAL DETAILS

MES SIPP reference:	First name(s):	Last name:
<input type="text"/>	<input type="text"/>	<input type="text"/>

FINANCIAL ADVISER DETAILS

Name of Company:	Company FCA reference:
<input type="text"/>	<input type="text"/>
Name of Financial Adviser:	Adviser FCA reference
<input type="text"/>	<input type="text"/>

DETAILS OF PENSION TO BE TRANSFERRED

Name of provider/administrator:	Name of transferring scheme:
<input type="text"/>	<input type="text"/>
Plan/policy number:	Transfer amount (£):
<input type="text"/>	<input type="text"/>

In this document “MES”, “We”, “Us”, or “Our” means either MES Financial Services Limited or MES Pension Trustees Limited.

Before proceeding with a transfer of Defined Benefits/Safeguarded benefits from your UK Registered Pension Scheme, as your Scheme Administrator, we believe it is important to highlight to you the importance of the advice received and ensure you fully understand the nature of the benefits that you are proposing to surrender.

Please note MES are not able to provide advice regarding this matter but, in order to assist, in this document we have provided a summary of some of the key points that you should consider with your Financial Adviser and understand before deciding to make this transfer request.

It is important to understand you will be giving up future entitlement to a guaranteed pension and other associated benefits, and replacing them with a cash value, which will be invested in a pension scheme that provides you with greater flexibility and control. This flexibility and control means that the value of your investments can go down as well as up, and you may not get back as much as you initially invested.

The Financial Conduct Authority (FCA)’s view is that in most cases you are likely to be worse off if you transfer your Defined Benefits pension. However, there are potential benefits and risks when transferring out of a Defined Benefits scheme into a Defined Contribution scheme. The FCA have provided you, the consumer, with free-to access information about transferring your Defined Benefit pension. This can be found here: <https://www.fca.org.uk/consumers/pension-transfer>.



Features of Defined Benefit & Defined Contribution schemes

Defined Benefit Scheme

- Pension income is based on final salary and length of employment
- You are guaranteed a certain level of pension income payable for life when you retire.
- Valuable, safeguarded / guaranteed rights and benefits are provided
- You may be able to retire early on a reduced guaranteed pension
- Your Scheme may provide for a guaranteed level of benefits to your beneficiaries in the event of your death.
- Investment performance irrelevant.
- Potential for the employer to go bust and not pay the pension as promised.
- Access to the Pension Protection Fund.

Defined Contribution Scheme

- Complete flexibility in how you receive your pension income.
- Greater control over investments.
- Ability to consolidate a number of pension funds together in one place.
- Flexibility as to when you take benefits from age 55 onwards.
- Control over the level of pension income you receive and when.
- You remain in control of your investments whilst taking pension income.
- Pension income payments can depend on the performance of the investments.
- Value of investments can go down as well as up.
- The value of your fund can erode more quickly depending on performance and surrender charges.

Retiring with a defined contribution scheme

When invested in a Defined Contribution scheme, at retirement you will need to make sure that there is sufficient liquidity within your scheme to withdraw a tax free lump sum (PCLS) and/or income.

One of the features of a Defined Contribution scheme, which is not available within a Defined Benefits scheme, is that the type of investments you select can have an impact on the availability of liquidity, as well as the overall impact on the value of your SIPP; this includes any potential surrender charges.

Transfer Advice

If the value of your Defined Benefit scheme is more than £30,000.00, you are required by law to have taken regulated financial advice before the transfer can proceed. Information on this is provided by both the Money Advice Service and the Pensions Advisory Service.

FCA rules require firms advising on pension transfers to have specific permissions. Advice on pension transfers must be given, or checked, by a pension transfer specialist. The pension transfer specialist must follow the FCA's training and competency rules, and have the appropriate qualifications, and with that, the permission to perform the function.

Important information for transfers of Defined Benefit or Safeguarded Benefits

Where you choose to transfer your UK Registered Pension Scheme that holds Defined Benefits or Safeguarded Benefits to a Defined Contribution Scheme, you are giving up your future entitlement to a guaranteed pension benefit and other associated benefits as outlined below. You will not be able to reverse this transfer once we process your request to transfer.

Prior to transferring these benefits, you should have considered the following key points with the pension transfer specialist and in discussions with your adviser. Please note this is not an exhaustive list and that MES are not able or authorised to provide you with advice regarding the transfer of benefits.

- As a member of a Defined Benefit scheme you are guaranteed a certain level of pension income payable for life to you from when you retire.



- Your scheme may also allow you to retire early on a reduced guaranteed pension or provide the full level of guaranteed pension to you if you retire earlier due to ill health.
- Your scheme may also provide for a guaranteed level of benefits to your beneficiaries in the event of your death.
- From the date you ceased to be an active member of your Defined Benefit scheme, your pension benefits may increase annually with the aim of keeping pace with inflation.
- If you have an entitlement to a protected early retirement age or are registered with the HMRC for enhanced protection or a protected/enhanced tax-free cash entitlement under your current scheme, this may be lost on transfer.
- Where a UK Defined Benefit Scheme becomes insolvent the scheme will have access to the UK Pension Protection Fund providing a degree of protection for your guaranteed benefits.

Under a SIPP, the value of your pension benefits on retirement are not guaranteed and are based on the performance of your investments, the fund value at the point you elect to take benefits and annuity rates at that time, if you decide to buy a pension.

The MoneyHelper website provides further information relating to Defined Benefits which can be accessed here: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pensions-basics/defined-benefit-or-final-salary-pensionsschemes-explained>



Client Declaration

I fully understand the Pension Transfer Specialist's advice provided to me and I confirm that I understand the nature of the benefits and guarantees I am giving up. I understand I will not be able to reverse this decision once you process my request to transfer.

I understand that MES have not been party to this advice and is not authorised to provide any advice in respect of transfers or investments and confirm I wish to proceed with this transfer of benefits.

I, the undersigned, certify and acknowledge to MES by signing this declaration that:

- I have received independent financial advice from the Financial Adviser detailed above.
- The Financial Adviser has provided me with a personal recommendation to transfer as part of their Suitability Report.
- I understand that MES, in administering my request, will have no liability to me whatsoever in relation to my decision to adhere to the personal recommendation and I will not hold MES liable for any penalties, fees, costs, claims, expenses, damages or losses I and/or my beneficiaries may incur, now or in the future, due to my decision to follow the personal recommendation provided to me. I understand also that MES do not provide me with any type of advice in relation to the request I have made and the instructions I have provided to them.

Client Signature:

Full Name:

Date:

Financial Adviser Declaration

I confirm that I have provided the above named client with financial advice in agreement with the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015.

I confirm that I have recommended this pension transfer and believe it to be suitable for the client.

I confirm that I have the necessary permission under Part 4a of the Financial Services and Markets Act 2000, or resulting from any other provision of the act, to carry on the regulated activity under article 53s of the regulated activity order.

Please print your name, sign and date below to confirm you have read and understood the declarations.

Adviser Signature:

Full Name:

Date:
