

December 2021

CONDITIONS FOR TRANSFERS – NOTIFICATION TO MEMBERS

The purpose of this notice is to inform you of new regulations that now apply to help combat pension scams. These regulations require that one of two conditions must be satisfied before a transfer can proceed.

The first of the conditions means that transfers to certain types of scheme, such as a public service pension scheme or an authorised master trust, should be able to proceed without us requesting any significant further information from you.

For all other transfers, we will be required to decide whether the proposed transfer has any “flags” present that indicate that you may be at risk of a pension scam. If there are any red flags, the transfer cannot proceed. If there are any amber flags, you will be required to attend a guidance session with MoneyHelper before a transfer can proceed.

Further details regarding these flags are shown below.

As a result, if you decide you wish to proceed with a transfer, we will be required to request certain information and carry out checks to determine if any red or amber flags apply to the proposed transfer and, therefore, whether you may proceed with it. It is therefore important that you complete any questionnaire that we provide in full.

Red flags (list is not exhaustive)

- You have failed to provide the required information;
- You have not provided evidence of receiving MoneyHelper guidance (if you are required to do so because of one or more amber flags);
- There is evidence that someone (e.g. your adviser) has carried out a regulated activity without the right regulatory status;
- There is evidence that you requested a transfer after unsolicited contact (known as pensions “cold-calling”);
- There is evidence that you have been offered an incentive to make the transfer; and
- There is evidence that you have been pressured to make the transfer.

Amber flags (list is not exhaustive)

- You have not provided or cannot provide the required evidence of an employment link or overseas residency;
- The proposed receiving scheme includes high-risk or unregulated investments;
- The proposed receiving scheme includes high or unclear charges;
- The proposed receiving scheme includes investments where the structure is unclear, complex or unorthodox;
- The proposed receiving scheme includes overseas investments; and
- There is evidence of a sharp or unusual rise in transfers involving the same proposed receiving scheme or adviser.

FURTHER INFORMATION

Should you require any further information, please contact the team by email (zpenteam@uk.zurich.com).