What We Need From You

In order that we may evaluate your client's Defined Benefit (DB) or Defined Contribution (DC) Pension scheme and provide our advice in relation to the suitability of them making the transfer or switch, we will require the following information prior to us commencing work:

Introducer Agreement
Two signed copies of Tuto Money Limited introducer agreement. We will countersign both copies and return one to you.

Client Fact Find
This can be your own fact find but it has to include all the necessary information we require in order to evaluate your client's circumstances. A Tuto fact find is available on request.

Client Objectives
Comprehensive adviser notes providing background information in relation to why the client is considering the transfer of their pension scheme to an alternative arrangement.

Attitude to Risk Profile
A completed and scored risk profile must be available. Tuto use Distribution Technology - Dynamic Planner, but alternative mainstream profiles are acceptable.

Selected Pension Product & Fund(s)
If you have already decided which pension product and which fund you would like your client to be invested in, if we agree that the case should go ahead, please us what these are and why you have specifically selected them for your client. We will assess the suitability of both the product and fund you have selected as part of the advice process.

Statement of Entitlement/Policy Details
For DB schemes - A full copy of the client's pension transfer pack including cash equivalent transfer value (CETV) and scheme revaluation rates to enable a TVAS report to be completed. Please note that Tuto will not normally accept transfer work where there is less than one month remaining of the original three month guaranteed valuation period.

For DC schemes – An up to date policy valuation with associated projections to the plan's normal retirement date.

Letter of Authority
A completed Tuto letter of authority is required for the transferring scheme in order that we may request further information from the trustees and administrators if required. An LOA may be required for the receiving scheme if this has been already selected by the adviser and we need to contact them to progress the case.

Considerations for transferring Defined Benefit Pension Schemes

Whilst we are always mindful of the FCA's guidance in relation to pension transfers and we always approach with a stance that any Defined Benefit transfer is not likely to be in the client's best interests we do however believe that individual circumstances are different and every case should be considered taking all of a client's circumstances into consideration.

There are many reasons why a final salary transfer may be deemed potentially suitable, a low critical yield for example, but this in itself has far less meaning in the new pension freedoms world.

We have listed below some of the factors we take into account that may influence our decision whether or not to recommend a transfer to our clients and introducers:

1. The Client is currently single and may remain so into retirement negating the need for a spouse's pension.

2. The client is suffering from impaired health (both Client and Spouse) that may lead to a reduction in longevity.

3. The client is over 55 and needs to clear a mortgage or significant debt to avoid financial hardship.

4. The client may need to fund long term care without any other options for themselves or their dependents.

5. The clients existing final salary pension scheme's financial position is not good and there is concern that it may fall into the Pension Protection Fund and leave the client unable to take flexible benefits in the future.

6. The client has sufficient long term income from elsewhere to provide their financial needs throughout retirement and are looking to take advantage of the pension freedoms to take their income in a different shape from that offered by the defined benefit scheme.

7. The client is considering or has decided to move abroad.

8. An enhanced transfer value has been offered by the existing final salary scheme.

9. The critical yield on the TVAS is considered achievable when aligned with clients attitude to risk and long term retirement modelling projections.

10. The Death benefit calculation on the TVAS shows a significant increase in the capital value of funds available to the client's spouse and loved ones.

11. The client is keen for the full value of the transferred fund to be available to their spouse and family upon death to take as they wish and in a tax efficient manner.

12. The value of the client's combined pension funds may take them over the lifetime allowance limit and they may wish to strategically plan future pension contributions and withdrawals.

Whilst this list is not exhaustive it does give an indication of some of the main reasons why a transfer out of a defined benefit scheme may be viable. It is usually a number of these factors in combination that gives rise to the transfer being in the best interests of the Client.