

FriendsLife

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PRIVATE AND CONFIDENTIAL

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0845 6029221
or write to
Friends Life Limited, PO Box 1550,
Milford, Salisbury SP1 2TW
Calls may be recorded for training and audit purposes

19 August 2014

Our ref : TCS/CS.NGP.AS3

Dear Michelle

Scheme number : F56097/28
Member's name : Jonathan J Wheeler
Scheme name : Sun Valley Salaried Defined Contribution
Retirement and Death Benefits Scheme

Thank you for your letter dated 9 July 2014.

We note that Roseland Securities Limited¹ is stated as being a trading company on the Supplementary Transfer Form however we have been unable to verify that this is the case.

In order to protect our customers, when we are asked to process a transfer, we have a duty to undertake some due diligence about the receiving scheme, beyond simply determining whether the same is registered. This is especially so given the recent publicity relating to non-insured pension schemes offering early release of benefits or speculative high-risk investments. Transfers to these schemes are often encouraged by incentives such as cash payments or loans.

You may be aware that the Pensions Regulator has recently issued guidance in connection with such schemes which states:

'For example, in certain circumstances where a scheme describing itself as an occupational pension scheme is sponsored by a dormant company, which has never actually traded, the trustees may conclude that it does not have the necessary characteristics of an occupational pension scheme.'

Following our due diligence checks we have been unable to verify that this scheme has the necessary characteristics of a genuine occupational pension scheme. We therefore consider that if we were to authorise the transfer and the customer subsequently suffered a loss, there would be a risk that we would be liable to the customer for such losses. Furthermore we remain of the view that it is possible that transfers would not be valid or recognised under Section 169 of the Finance Act 2004 and may result in significant tax charges for the member and Friends Life as scheme administrator. As such I confirm that we are not prepared to authorise the transfer as requested and will be informing the member accordingly and recommending that he/she takes independent financial and/or legal advice."

If there are any matters arising from this letter that you wish to discuss, please contact us on the number above. We will be happy to help.





Yours sincerely

Lynne Sales

Lynne Sales
Client Services

