

The logo consists of a dark brown shield-like shape with a pointed bottom. Inside the shield, the text "Pension TRANSFER Gold Standard" is written in white. "Pension" is in a smaller font, "TRANSFER" is in a larger, bold font, and "Gold Standard" is in a smaller font below it.

Pension
TRANSFER
Gold Standard

What Now?

Now that you have committed to adopt all nine principles of the Pension Transfer Gold Standard you may need to make some small adjustments to your business processes and record keeping. The purpose of this note is to serve as a reminder of what those changes may be. You may be asked for any of this detail at renewal of your Gold Standard status.

Principle 1

It would be useful to have a document that defines the education process that you will put all clients through before entering into regulated advice on their Safeguarded Benefits.

You should also record management information about how many clients go through this education process and what they decide as a result. More details of this are in the section covering Principle 8.

Principle 2

You need to be able to evidence that you have had a detailed discussion about the client's personal objectives. It is ideal to get this in the client's own words either as a written document or perhaps a recording of the meeting if you have that capability.

Your recommendation and the way you communicate with the client needs to be relevant to the client's stated objectives and in language that is accessible to them with little or no professional jargon. You should consider reviewing and adjusting your suitability report accordingly.

Principle 3

You will need to prepare a brief but complete summary of all charges that may apply to a client, as detailed in the Practitioners Guide. It is not enough to simply discuss this with the client or to leave a document with them. You need to make sure that they read and understood all the charges and have signed and returned a copy to you confirming that.

This signed copy should be retained on file.

Principle 4

Advisers who adopt the Gold Standard will have both a PTS qualification and be at least a Level 4 Investment Adviser. In addition, you must be able to show that you have completed at least 4 hours of subject specific CPD.

If there are multiple Pension Transfer Specialists in your firm but some are not qualified for the Gold Standard, the firm may still use the Pension Transfer Gold Standard logo if all work is done by a fully qualified PTS with L4 Investment Adviser status or signed off by one. You will need to be able to evidence this on your client file.

To be clear, central enquiries for transfer advice should be referred to Gold Standard qualified Pension Transfer Specialists. This is particularly important where the Gold Standard logo has been used in your marketing material or on your website.

Principle 5

You will need to create a Conflict of Interest document specifically for this type of business and this document should always be given to clients. In the rare instance that a Contingent Charging model is used there needs to be specific entry explaining how you manage the inevitable Conflict in Interest that arises.

Principle 6

You will need to create a single page document which highlights the effective cost of transferring from the existing scheme to an alternative pension. In this document the CETV offered should be compared directly with the replacement cost shown in the Transfer Value Comparator. This should be discussed with the client and retained on file. You may want to consider asking the client to confirm understanding by signing the document.

Principle 7

There are no changes likely to be needed to support this Principle, but you should be able to show that you are only recommending regulated investments and are not receiving introductions from unregulated introducers who are in anyway involved with unregulated investments.

Principle 8

Having a clearly defined process for supporting clients with existing Safeguarded Benefits is an important element of the Gold Standard, as is recording how clients move through this process.

We suggest that the following management information be kept as a minimum:

1. Number of clients enquiring about safeguarded transfers.
2. Total number returning completing the education material (may be less than 1 as the very presence of the material may put some clients off).
3. Total number choosing not to take regulated advice.
4. Total number wanting to move on to regulated advice.
5. Total number wanting further educational material.
6. For those receiving regulated advice:
 - a. Number where a recommendation to transfer was made, in whole or part.
 - b. Number where the recommendation is to remain in the current environment.

- c. Number within b (above) that asked to be dealt with as an 'insistent client'.
- d. Number within c (above) who were processed as an 'insistent client'.
- e. Number within a (above) that were processed on a contingent charging basis.

7. Number of clients who transferred their benefits (a + d).

In order to have a true picture of how clients travel through your process it is particularly important to capture the total number of clients or potential clients that enquire about advice even if they do not go on to enter your advice process (item 1. Above). This gives context to all the management information that follows.

You need to ensure that you are set up to capture all the information above. This information should be kept on a 12 monthly basis and where possible it would be nice to back fill the information so that you can start to monitor and identify trends from the very start.

Principle 9

One of the key elements of the Pension Transfer Gold Standard is the consumer facing material. Engaging with a better informed and better educated client is to everyone's benefit. The consumer guides that are available in the consumer section of the website aim to do just that.

No matter how your potential client found you it is important to make sure that they all receive a copy of the consumer guide. If you would like to print copies of the short guide then in the confirmation email you will find a link to downloads of printer quality PDFs for you to send on to your preferred print partner.