

Declaration

Supplemental to application dated _____

The UK budget announcement on the 8th of March 2017 proposed various changes to the tax treatment of pension funds transferred from registered pension schemes to certain qualifying recognised overseas pension schemes (QROPS). These changes came into effect immediately and have since been included in the Finance Bill 2017 published on 20th March 2017.

You have applied to become a member of a QROPS operated and administered by Sovereign and requested that funds comprising your UK registered pension plan be transferred to the Sovereign QROPS. Either your application or the request to the transferring UK scheme was received after 8th March 2017 and it is therefore possible that the new tax, known as the overseas transfer charge will apply unless certain conditions are satisfied. Therefore, before proceeding, we require you to sign the following acknowledgement and indemnity.

I the undersigned do hereby acknowledge and declare as follows:

1. I am aware that the transfer of my UK pension fund to a QROPS may be subject to the overseas transfer charge unless it meets the conditions to qualify for an exemption and that the rate of charge is 25% of the value of funds or assets transferred.
2. I understand that the overseas transfer charge will apply if the conditions are not met at the time of transfer or at any time during the five complete and consecutive tax years immediately following the tax year in which the transfer is made (known as the relevant period).
3. I understand that I will be jointly and severally liable with Sovereign to pay the overseas transfer charge and that the charge may be paid out of my funds within the QROPS or out of my personal funds.
4. I confirm that I still wish to proceed with the transfer of my UK pension fund to the Sovereign QROPS and in consideration of Sovereign agreeing to process my application and proceed with the transfer request I hereby agree to indemnify Sovereign as scheme administrator against the overseas transfer charge or any other tax, penalty or liability howsoever arising as a result of the transfer of my UK pension fund to a Sovereign administered QROPS.
5. Subject to the rules of the QROPS I confirm that this indemnity may be satisfied by Sovereign from funds from time to time contained within my QROPS plan. Alternatively this indemnity shall be satisfied by me from my own personal funds.
6. I acknowledge that Sovereign as administrator of the QROPS shall have no responsibility or liability to me for any loss to the value of my pension fund arising from my decision to proceed with my application to become a member of the QROPS operated by Sovereign or the request to transfer funds from my UK registered pension plan to the Sovereign QROPS notwithstanding the change in the law with effect from 8th March 2017 and I agree to indemnify Sovereign and the transferring scheme against all claims, demands and actions relating to the overseas transfer charge and any related losses, costs or expenses.

Signed: _____ Applicant

Name: _____ Date: (dd/mm/yy) _____