

Overview of Pension Transfer Process

Since you are Bermudian or the spouse of a Bermudian and participated in a registered pension plan in which the funds are locked-in, a transfer overseas will have to be made in the form of an application to the Bermuda Pension Commission and it would have to be approved by them before we can send the funds. The process, once we have all of the documents from you in place, can take up to 3 months. (Alternatively, you may open an Individual Retirement Plan at Argus in which you would have a range of investment options.)

In order to make an application we will require you to provide us with the following:

- A copy of the application or contract made by you and the financial institution that you wish to transfer your funds to along with a copy of the trust deed/trust agreement and locking-in Addendum (if applicable) or in the case of an employer pension plan a copy of the plan rules. In order to assist the Pension Commission and help speed up the process, I would recommend that you highlight or flag the sections showing compliance with the guidelines below, i.e. that the funds will continue to be locked-in, no borrowing, etc. **If the plan you wish to transfer to does not meet their guidelines, the Pension Commission will not approve the transfer.**
- Locked-in transfer form. Please also complete Section A of the attached and have the Financial Institution complete Section B and return it with the other documents.
- Completion of Sections 1, 2, 4 & 6 of the attached overseas transfer request form which includes confirmation of Nationality.
- Copy of your passport.

Guidelines

The following **guidelines** were issued by the Bermuda Pension Commission and are applicable to individuals that are members of a pension plan that is governed by the National Pension Scheme (Occupational Pensions) Act 1998, who are wishing to transfer their pension fund to a retirement plan outside of Bermuda.

General Consideration

All Overseas Prescribed Retirement Product requests that are received by the Pension Commission will be reviewed on a case by case basis.

Member's Responsibility

A member of a pension plan seeking to transfer their pension fund to an Overseas Prescribed Retirement Product is required to present their local plan administrator with a copy of the plan rules and related contractual documents of the Prescribed Retirement Product to which they wish to transfer their funds to.

This Overseas Prescribed Retirement Product should have similar requirements as the National Pension Scheme (Occupational Pensions) Act 1998, such as:

1. The funds will continue to be locked-in.
2. The funds will be creditor protected.
3. There will be no borrowing permitted.
4. There are no lump sum payments beyond 25% at retirement age of 60 years and older.
5. The retirement product has to have a normal retirement age (65) or early retirement age (55)

We strongly suggest that you investigate any income tax consequences of transferring the pension account to another country prior to making a transfer application.