



# Things to consider when moving your money into Nest

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Important information about transfers



You can transfer into Nest at any time. Before you transfer, you'll need to compare all the features of your existing pension scheme to features of Nest. This includes considering the ongoing charges applied by both schemes.

We can only accept a transfer if the amount being transferred is over £50. If you're transferring into Nest as a result of a divorce or court order, this limit doesn't apply.

For many people, transferring can make it easier and cheaper to keep track of their pension savings. But it's not right for everyone. There's a chance it might leave some people worse off. If you're unsure, speak to your existing provider and take independent financial advice.

Nest only accepts certain types of transfer payments. It must be from a UK-based pension scheme that's registered with HM Revenue & Customs (HMRC). We can't accept transfers that come from an overseas scheme.

If you're currently receiving an income from your other pension provider or have been in a defined benefit scheme for longer than two years, we can't accept the transfer.

#### **A defined contribution scheme**

This is a pension scheme where a defined level contribution is paid to build up a pot of money at retirement.

Nest is a defined contribution scheme.

#### **A pension or credit transfer**

A portion of an ex-spouse or ex-civil partner's pension that's been awarded to you as a result of a pension sharing order, granted on divorce or at the end of a civil partnership. We can accept pension credit transfers.

#### **An early leaver cash transfer**

You may be entitled to this type of transfer from another workplace pension scheme you're a member of. You need to have been paying contributions to it for more than three months but less than two years.

- Nest won't accept a transfer amount that relates to a disqualifying pension credit. This is a pension credit arising from divorce or the end of a civil partnership, where your ex-spouse or ex-civil partner was already receiving payment from their pension when the pension sharing order was awarded by the court.

#### **Check if your provider offers guarantees or protections**

It's important that you check whether your existing provider offers any guarantees or protections before you continue with the transfer to Nest.

To help, you could try looking in your old policy documentation for phrases like guaranteed annuity rate, guaranteed investment return, defined benefits, protected pension age or protected pension commencement lump sum, to identify if this applies to you.

If you decide to continue and the transfer is accepted, the amount will be added to your Nest retirement pot, which won't provide guarantees or protection.

The type of guarantees or protections you could lose if you go ahead with the transfer to Nest include:

#### **A guaranteed annuity rate**

If the scheme you're transferring from provides a guaranteed annuity rate, you may get a higher level of retirement income from that provider than you would get on the open market.

#### **A guaranteed investment return**

If the scheme you're transferring from provides a guaranteed investment return, you may end up with a larger retirement pot than you could get through normal investment returns.

#### **A defined benefit scheme**

This is a pension scheme that provides a defined level of retirement income, based on the member's service and salary. We don't accept transfers from defined benefits unless they're early leaver cash transfers or pension credit transfer.

#### **A protected pension commencement lump sum**

This could allow you to take a higher than normal amount of your pot as tax-free cash.

#### **A protected pension age**

This allows you to take your pot earlier than the normal minimum pension age, which is currently age 55.

You should check with your other pension provider to see if these or any other protections apply to you.

You should consider all these risks before going ahead with a transfer and seek independent financial advice.



## Other important things to consider

Your existing pension scheme may also charge a penalty if you go ahead with the transfer to Nest, which would reduce the amount that's transferred to your Nest pot. This charge may be some form of exit penalty or a fund charge called a market value adjustment or market value reduction. An exit penalty will reduce the amount of money that'll be transferred to your Nest pot.

The value of your Nest retirement pot is not guaranteed to increase, it can go down as well as up, depending on market movements. This also applies to any current pensions you transfer to your Nest pot.

Once the transfer is made into your Nest pot, its value when you choose to take it will depend on a number of factors. These include:

- how well your pot grows, although its value can fall as well as rise.
- Nest's charges
- how you choose to take your money out of Nest.

## Inheritance tax

There are two ways of telling us who you'd like to receive your Nest pot if you die before taking all of your money out. You can either make an expression of wish or nominate a beneficiary.

The choice you make can affect whether inheritance tax is payable.

If you have made an expression of wish this means that your pot won't usually form part of your estate for inheritance tax purposes.

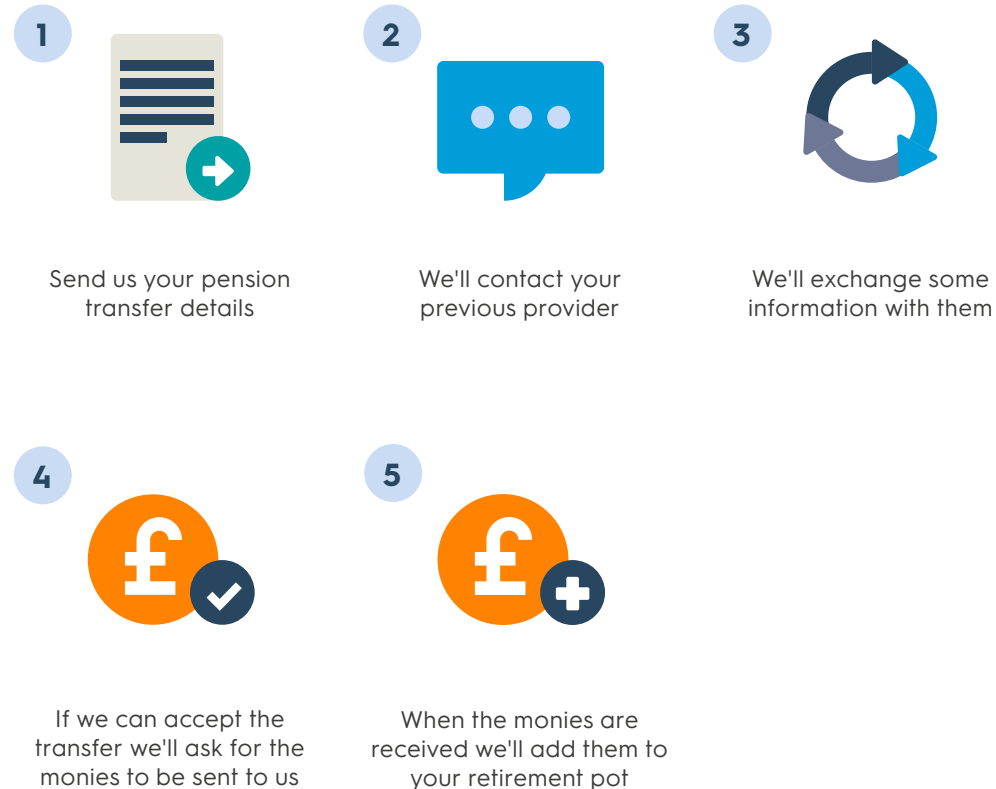
If you have nominated a beneficiary your pot will usually form part of your estate for inheritance tax purposes - including any amounts transferred in.

Find out more on the Nest [website](#)

## More information

You can find more information about transferring your pension on the Pension Wise website at [pensionwise.gov.uk/transfer-pension](https://pensionwise.gov.uk/transfer-pension)

## How do I transfer money into Nest?



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